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HOMEOWNERSHIP

A DECADE OF CHANGE

Prepared by
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Just about 10 years ago, the U.S. League of Savings Institutions announced its first Home Buyer Survey. Since that time, the League has performed the same basic survey on a biennial basis. A lot has changed in housing and mortgage finance over this decade.

Recently, the League completed another survey of conventional mortgage borrowers using essentially the same procedures that we have used for the last 10 years. As a result, we now have a data series which allows us to compare different types of home buyers, affordability and geographic differences over a 10-year period.

In the discussion that follows, we will review the highlights of our most recent survey data. Many of our findings simply confirm trends that are generally perceived, though unsubstantiated due to a lack of good data. In some cases, however, our survey provides new insights into the maturing of the mortgage borrower. These insights have significant implications for national housing policy in the years ahead.

THE CHANGING PROFILE OF HOME BUYERS NATIONWIDE

Some of the most obvious changes in the profile of the American home buyer are demographic. The aging of our population in general, and the baby-boom generation in particular, is now clearly reflected in home buyer profiles.

Table 1 shows that over the past 10 years, the median age of the home buyer has increased by almost five years, going from 32.4 years in 1977 to 37.0 years in 1987. Based upon this trend, we project that the median age of the home buyer will reach 40 years by 1990.

Fewer home buyers are now married reflecting another baby-boom characteristic. More baby boomers are staying single longer, and more couples are getting divorced than in previous generations. In 1977, some 83% of all home buyers were married while by 1987, only 74% of all home buyers were married.

The smaller households of the baby-boom generation are also more active as home buyers. In 1977, one- and two-person households accounted for 45.8% of all home buyers. By 1987, this percentage had increased to 53.6%.

TABLE 1: **Demographic trends are reflected in nationwide home buyer profiles**

DEMOGRAPHIC PROFILE	1987	1977
Median age	37.0 yrs.	32.4 yrs.
Married	74.0%	83.0%
One- and two-person households	53.6%	45.8%

Source: Research Dept., U.S. League of Savings Institutions.

Although home buyers are getting older, are less often married and usually have smaller households, they are not enjoying lower prices. In fact, Table 2 reveals that on a nationwide basis, today's home buyer is paying more than twice that of a buyer 10 years ago. In 1977, the median purchase price paid by home buyers across the nation was $44,000. By 1987, this median purchase price had increased 115.9%, reaching $95,000.

In response to such price increases, today's home buyers tend to purchase condominiums slightly more often than they did in the past--11.0% bought condominiums in 1979 (the first year this figure is available) while 13.5% made such a purchase in 1987. They also tend to purchase homes that are 25 or more years old more often than they did a decade ago--30.0% in 1987 versus 23.7% in 1977. Still, today's home buyers tend to buy new homes with virtually the same frequency as they did 10 years ago--about 25% of the time.

TABLE 2: **Today's home buyers are paying more than twice the purchase price paid by their counterparts 10 years ago**

PURCHASE PROFILE	1987	1977
Median purchase price	$95,000	$44,000
Condominiums	13.5%	11.0%*
New homes	24.8%	25.4%
Homes 25 or more years old	30.0%	23.7%

*For 1979, first available data.

Source: Research Dept., U.S. League of Savings Institutions.

As the prices paid by home buyers have increased, so have their total monthly housing expenses. Table 3 shows that the home buyer's median total monthly housing expense was $400 in 1977. By 1987, this same median had more than doubled to $822, representing an increase of 105%. Significantly, the home buyer's total monthly housing expense has increased over the past decade by slightly less than the increase in home purchase prices--median purchase prices increased 115.9% while median housing expenses increased only 105%.

TABLE 3: **Home buyer total monthly housing expenses have more than doubled over the past decade**

MONTHLY HOUSING EXPENSE (MEDIANS)	1987	1977
Mortgage payment	$601	$273
Real estate taxes	$ 96	$ 54
Utilities	$100	$ 60
Hazard insurance	$ 25	$ 13
	$822	$400

Source: Research Dept., U.S. League of Savings Institutions.

While the purchase price and the total monthly housing expenses have increased sharply over the past 10 years, so has home buyer income. In 1977, the median home buyer's income was $22,700 as shown in Table 4. By 1987, median home buyer income had increased 102.6%, reaching $45,996.

Table 4 also indicates that home buyers have become more dependent upon second incomes over the past decade. In 1977, some 47.2% of home buyers had significant second incomes, while in 1987 this ratio increased to 54.5%.

Despite soaring costs, first-time purchasers accounted for 35.1% of home buyers in 1987--down only slightly from 36.3% in 1977. More significantly, the percentage of households whose housing expense exceeded 25% of household income fell from 38.1% of all home buyers in 1977 to 30.5% of home buyers in 1987.

Of course, today's higher home purchase prices have had their most obvious impact in the area of home buyers' downpayment. Less than one-third (32.1%) of all home buyers in 1977 made a downpayment of less than 20% on their home purchase. By 1987, one half of all home buyers made such a downpayment.

TABLE 4: **Importantly, home buyers' income has also more than doubled over the past decade**

ECONOMIC PROFILE	1987	1977
Median income	$45,996	$22,700
Second income*	54.5%	47.2%
First-time buyers	35.1%	36.3%
Housing expense exceeding 25% of income	30.5%	38.1%
Less than 20% downpayment	50.4%	32.1%

*Percentage of households with two adults in which income contributed by a second earner accounted for 10% or more of total household income.

Source: Research Dept., U.S. League of Savings Institutions.

In sum, median home purchase prices have increased by 115.9% over the past decade. However, the median total monthly expenses during the same period increased only 105%. Such an increase is only slightly more than the 102.6% increase in median home buyer income experienced over the past 10 years.

HOME BUYERS BY LOCAL MARKET

Although much has changed in housing and mortgage finance over the past decade, local market conditions still dominate home purchase prices and home buyer monthly housing expense. Thus, the changes in local markets over the past 10 years are as significant, if not more so, than those that have taken place nationwide.

For example, Table 5 lists 15 local markets surveyed in both 1977 and 1987. It ranks these 15 metropolitan areas by 1987 median purchase price. San Francisco leads the list with a median purchase price of $169,347. Los Angeles is second with a median of $142,900 while New York is third with a median of $142,400. Washington, D.C., and Minneapolis-St. Paul round out the top five.

Median purchase prices are also shown for 1977 as is the percentage change in median purchase price over the past decade. The largest purchase price increase among these cities took place not on the West Coast, but in New York where the median purchase price increased 194% over the past 10 years. The second largest increase was 141% and took place in Minneapolis-St. Paul. San Francisco ranked third with a 10-year increase of 135%.

TABLE 5: **Purchase prices vary widely by metropolitan areas as do price increases**

RANK	METROPOLITAN AREA*	MEDIAN PURCHASE PRICE 1987	1977	10-YEAR % CHANGE
1	San Francisco/Oakland/San Jose	$169,347	$72,000	135%
2	Los Angeles/Long Beach	$142,900	$65,000	120%
3	New York/Northern New Jersey/Long Island	$142,400	$48,500	194%
4	Washington, D.C.	$137,500	$68,000	102%
5	Minneapolis-St. Paul	$114,000	$47,250	141%
6	Chicago	$110,000	$50,900	116%
7	Baltimore	$106,500	$47,000	127%
8	Philadelphia	$99,000	$45,000	120%
9	Columbus	$88,000	$42,000	110%
10	St. Louis	$84,600	$37,000	129%
11	Miami/Hialeah	$78,900	$48,500	63%
12	Milwaukee	$76,400	$42,900	78%
13	Houston/Galveston/Brazoria	$73,000	$46,900	56%
14	Portland, Ore.	$72,950	$35,500	105%
15	Pittsburgh	$71,500	$37,800	89%

*Metropolitan statistical areas (MSAs) as defined by the U.S. Office of Management and Budget.

Source: Research Dept., U.S. League of Savings Institutions.

Table 6 ranks these same local markets by the median total monthly housing expense facing the home buyer in 1987. Once again, San Francisco heads the list as the most expensive area with a total monthly housing expense of $1,320. Washington, D.C., which ranked fourth in purchase price ranks second in total expenses at $1,178 per month. New York is third with a monthly housing expense of $1,105, and Los Angeles is fourth at $1,104 per month.

TABLE 6: **Median monthly housing expenses varied widely by metropolitan areas in 1987**

RANK	METROPOLITAN AREA*	MORTGAGE PAYMENT	TAXES	UTILITIES	INSURANCE	MEDIAN TOTAL MONTHLY HOUSING EXPENSE
1	San Francisco/Oakland/San Jose	$1,020	$163	$100	$37	$1,320
2	Washington, D.C.	$933	$110	$110	$25	$1,178
3	New York/Northern New Jersey/Long Island	$805	$167	$100	$33	$1,105
4	Los Angeles/Long Beach	$881	$130	$100	$33	$1,014
5	Chicago	$637	$122	$125	$23	$907
6	Baltimore	$655	$ 97	$125	$23	$900
7	Minneapolis-St. Paul	$643	$125	$100	$30	$898
8	Philadelphia	$588	$117	$125	$25	$855
9	Houston/Galveston/Brazoria	$562	$109	$140	$43	$854
10	Miami/Hialeah	$541	$ 73	$100	$27	$741
11	Milwaukee	$457	$162	$100	$15	$734
12	Columbus	$516	$ 89	$100	$20	$725
13	Portland, Ore.	$460	$143	$100	$17	$720
14	St. Louis	$493	$ 68	$120	$27	$708
15	Pittsburgh	$430	$ 85	$100	$15	$630

*Metropolitan statistical areas (MSA) as defined by the U.S. Office of Management and Budget.

Source: Research Dept., U.S. League of Savings Institutions.

Table 7 takes the 1987 median total monthly housing expenses and compare them with those for 1977 by metropolitan area. It ranks metropolitan areas by the percentage change in median monthly housing expense over the past 10 years. New York heads the list with 122% increase in total monthly housing expense--much less than the 194% increase it shows in median purchase price.

Baltimore ranks second with a 120% expense increase which is just about equal to its 127% increase in purchase price. Philadelphia is third with a 118% increase in monthly housing expense while San Francisco is fourth at 115%.

TABLE 7: **The largest increases in monthly housing expense came in some surprising markets over the past decade**

RANK	METROPOLITAN AREA*	MEDIAN TOTAL MONTHLY EXPENSE 1987	1977	10-YEAR % CHANGE
1	New York/Northern New Jersey/Long Island	$1,105	$497	122%
2	Baltimore	$900	$409	120%
3	Philadelphia	$855	$393	118%
4	San Francisco/Oakland/San Jose	$1,320	$614	115%
5	Minneapolis-St. Paul	$898	$421	113%
6	St. Louis	$708	$333	113%
7	Chicago	$907	$429	111%
8	Washington, D.C.	$1,178	$578	104%
9	Columbus	$725	$365	99%
10	Houston/Galveston/Brazoria	$854	$439	95%
11	Portland, Ore.	$720	$376	91%
12	Los Angeles/Long Beach	$1,014	$567	79%
13	Milwaukee	$734	$411	79%
14	Pittsburgh	$630	$364	73%
15	Miami/Hialeah	$741	$443	67%

*Metropolitan statistical areas (MSAs) as defined by the U.S. Office of Management and Budget.

Source: Research Dept., U.S. League of Savings Institutions.

Is There an Affordability Crisis?

Given the fact that today's housing costs so much more than it did a decade ago, questions have been raised concerning affordability. Some observers have gone so far as to assert that there is a national home-ownership affordability "crisis."

A comparison of the first-time home buyer today with that of a decade ago does not show much change in the burden of purchasing a home for the first time. While the median home purchase price for first-time home buyers rose by 119% over the 10-year period, both the median monthly housing expense and median household income rose by a lesser amount of 103% and 97%, respectively (Table 8). Even more telling is the fact that the number of first-time buyers that had to devote more than 25% of household income to housing expenses fell from 37.8% in 1977 to 33.3% in 1987.

TABLE 8: **Rising income of first-time home buyers have kept pace with increasing housing expenses over the past 10 years**

FIRST-TIME PURCHASER PROFILE	1987	1977	% CHANGE
Median purchase price	$81,000	$37,000	119%
Median total monthly housing expense	$748	$369	103%
Median household income	$39,300	$20,000	97%
25% of household income	33.3%	37.8%	N/A

N/A: not applicable.

Source: Research Dept., U.S. League of Savings Institutions.

In our 1977-78 survey report, we argued that sweeping assertions regarding affordability are not justified based upon generalized observations using average home prices, standard downpayments and a 25% housing expense to household income ratio. We reiterate this same position today.

The first requirement in any affordability study must be to differentiate between the various types of mortgage borrowers and home buyers. Table 9 does this by profiling three different types of mortgage borrowers: first-time buyers, repurchasers and refinancers. From these profiles, we can easily see that repurchasers and refinancers are very similar.

First-time home buyers, however, tend to be much younger, less often married and more often in one- or two-person households than either repurchasers or refinancers. First-time buyers also have substantially less income and tend to be much more dependent upon second incomes than either of the other borrower groups.

It is also worth noting that the median loan amount for repurchasers in 1987 was $76,000 which is substantially greater than that of first-time buyers whose median loan amount was $65,200. Interestingly, the lowest median loan amount was that of refinancers whose median was $62,000 in 1987.

TABLE 9: **It is essential that we differentiate between various types of mortgage borrowers**

MORTGAGE BORROWER PROFILE	FIRST-TIME BORROWERS	REPURCHASERS	REFINANCERS
Median age	31.5 yrs.	40.3 yrs.	40.2 yrs.
Married	61.0%	82.7%	83.3%
One- and two-person households	67.0%	45.7%	44.3%
Median income	$39,300	$50,580	$47,160
Importance of second income	67.6%	50.3%	52.8%
Median loan amount	$65,200	$76,000	$62,000

Source: Research Dept., U.S. League of Savings Institutions.

Based upon these demographic and income data, it is clear that the issue of affordability really involves the first-time home buyer. In this regard, Table 10 provides further interesting information as it compares the home purchase prices and median total monthly housing expenses of first-time buyers and repurchases in 1987.

One way first-time home buyers lessened their homeownership entry costs is by purchasing substantially less costly homes. In 1987, the median purchase price for first-time buyers was $81,000, or $24,800 less than the $105,800 median for repurchasers.

In order to keep their purchase price down, first-time buyers are much more likely to buy homes 25 or more years old--38.2% bought such older homes in 1987 compared to 24.7% for repurchasers. They also are more likely to buy condominiums and less likely to buy new homes than repurchasers. Finally, first-time buyers tend to purchase smaller homes. In 1987, the median square footage of homes purchased by first-time buyers was 1,369 which was significantly less than that of repurchasers whose median square footage was 1,733.

TABLE 10: **First-time home buyers paid substantially less than repurchasers for their 1987 home purchases**

PURCHASE PROFILE	FIRST-TIME BUYERS	REPURCHASERS
Median purchase price	$81,000	$105,800
Condominiums	16.3%	11.9%
New homes	21.1%	24.7%
Homes 25 or more years old	38.2%	24.7%
Median size of home (sq.ft.)	1,369	1,733
Median total monthly housing expense	$748	$860
Mortgage payment	$540	$633
Real estate taxes	$ 84	$100
Utilities	$100	$100
Hazard insurance	$ 24	$ 27

Source: Research Dept., U.S. League of Savings Institutions.

The lower purchase price of first-time buyers is offset to some degree when it comes to total monthly housing expenses by the smaller downpayments normally made by first-time buyers. As a result, the median total monthly housing expense for first-time buyers of $748 per month was $112, or 13%, less than that of repurchasers at $860 per month in 1987.

The point is that assertions concerning housing affordablilty should not be based upon the average or median purchase price of homes in the marketplace. First-time buyers as new homeowners reduced their cost of entry by purchasing smaller, older homes whose purchase price is significantly lower than that paid by repeat buyers.

MATURING BORROWERS USE DIFFERENT LOAN TYPES

For many years, the dominant mortgage used to finance a home purchase was the traditional fixed rate, fixed payment mortgage with a term of 30 years. In a stable economic environment, this type of financing was extremely effective at facilitating home purchases.

The more hostile home buying market of the late 1970s and early 1980s demanded innovations in home financing if the dreams of homeownership were to be fulfilled for millions of American households. The most successful of the various alternatives that were developed during this period was the adjustable rate mortgage. Since April 1981 when savings institutions were first permitted to write ARMs tied to various Treasury security and cost-of-funds indexes, many home buyers have taken advantage of the cost savings and increased affordability granted by the ARM.

The cost savings of an ARM over a 30-year, fixed rate mortgage were documented in Mortgage Borrowers: Adjusting to Changing Times, a companion to this report published by the U.S. League in November 1987. Depending on when a home buyer took out an ARM, the interest savings over the FRM could have amounted to as much as $40,000 on a $100,000 mortgage.

Hence, it is not surprising that the data from the 1987 Home Buyer Survey showed that many home buyers opted for an ARM over a FRM. As depicted in Table 11, of all home buyers 47.3% selected an ARM in the second quarter of 1987. Interestingly, first-time buyers were nearly as likely as repurchasers to be ARM borrowers. These figures clearly reflect the sophistication of home buyers in accepting alternatives to the traditional 30-year FRM.

TABLE 11: **Home buyers are showing more sophistication in accepting home financing alternatives**

TYPE OF BUYER	% WITH ARM
All home buyers	47.3%
First-time buyers	45.9%
Repurchasers	47.6%

Source: Research Dept., U.S. League of Savings Institutions.

The most popular ARM indexes were the cost-of-funds index and the one-year Treasury bill index. (The former is a weighted average cost of deposits and borrowings at insured savings institutions. It is available on a national and a regional--technically called a bank district--basis). As shown in Table 12, these indexes were used for nearly 70% of all ARMs.

TABLE 12: **The most popular ARM indexes are the cost-of-funds index and the one-year Treasury bill index**

INDEX	% OF ALL ARMS
Cost of funds	32.4%
National	3.9%
Bank district	28.5%
One-year Treasury	36.6%
Others*	30.9%

*Include other Treasury security indexes, e.g., three- and six-month and two-, three- and five-year maturities, and other types of indexes such as the Federal Home Loan Bank Board closing contract interest rate, the prime rate, etc.

Source: Research Dept., U.S. League of Savings Institutions.

The median rate on an ARM was 7.90% compared with a median FRM rate of 9.25%. On a $70,000 loan (roughly the median loan amount found in the survey), this 1.35% difference in rate corresponds to an interest savings of $947 in the first year or an amount equal to 15% of the interest paid with the FRM. History has shown that the ARM borrower is likely to be a winner not only during the first year of the mortgage but over an extended period of time as well.

To protect the borrower from unmanageable surges in interest rates, the vast majority of the ARMs had some type of cap on the maximum change in the interest rate. Of the ARMs sampled, 88.6% specified that the periodic adjustment in the interest rate could not exceed 2%. Nearly 95% of the ARMs specified a maximum life-of-loan interest rate cap, typically 5% to 6% over the initial rate. Payment caps were present on only a small number of the ARMs sampled.

Those home buyers who did not opt for an ARM did not necessarily take out a 30-year FRM. Shorter-term FRMs, particularly those with terms of 15 years or less, were quite popular. Table 13 shows that while a FRM was taken by 50.3% of home buyers, only 33.3% took the traditional 30-year FRM. First-time buyers tended to select the 30-year mortgage slightly more often.

TABLE 13: **Many home buyers with FRMs select terms other than the traditional 30 years**

TYPE OF HOME BUYER	ALL TYPES OF FRM*	TERM IN YEARS OF FRM		
		15 OR LESS	16 TO 29	30 OR MORE
All home buyers	50.2%	14.3%	2.6%	33.3%
First-time buyers	51.9%	13.3%	2.7%	35.9%
Repurchasers	49.8%	14.7%	2.6%	32.5%

*Loans other than ARMs or FRMs, e.g., balloon loans, GPMs, etc., accounted for 2.5% of loans taken by all home buyers, 2.2% of the loans taken by first-time buyers and 2.6% of the loans taken by repurchasers.

Source: Research Dept., U.S. League of Savings Institutions.

The popularity of the 15-year FRM can be explained by two reasons. First, the rate on the 15-year FRM is slightly less than that on the 30-year FRM. Typically, the rate on a 15-year FRM is about 0.25% below the rate on a 30-year FRM.

The second reason is that the shorter-term mortgage permits a more rapid build-up of equity in the home. Table 14 shows that a borrower taking out a $70,000, 15-year FRM would have $11,197 more in equity after five years when compared with the 30-year FRM borrower. For those home buyers anticipating slow home price appreciation or for those within 15 or 20 years of retirement who wish to retire without having the concern of a monthly mortgage payment, a shorter-term FRM is ideal.

TABLE 14: **Home buyers with 15-year FRMs build up equity faster than those with 30-year FRMs**

	REMAINING BALANCE ($70,000)		
END OF YEAR	30-YEAR FRM	15-YEAR FRM	ADDITIONAL EQUITY
1	$69,546	$67,686	$1,860
2	$69,047	$65,155	$3,892
3	$68,501	$62,387	$6,114
4	$67,902	$59,359	$8,543
5	$67,245	$56,048	$11,197

Source: Research Dept., U.S. League of Savings Institutions.

Of course, because of the shorter-term, the 15-year FRM borrower's monthly payment even with the lower rate will exceed the 30-year FRM borrower's payment. In the example used above, the difference is $134, or 23%, more than the payment on the 30-year FRM. Home buyers who want both a payment similar to that of a 30-year FRM and a more rapid equity build-up that accompanies a 15-year FRM might want to consider the possibility of a shorter-term ARM.

These characteristics of the 15-year FRM made it extremely popular among refinancers. Demographically, refinancers were quite similar to repurchasers. They are much different, however, with respect to the type of mortgage they selected to refinance their existing mortgage as is shown in Table 15. More than two-thirds selected an FRM compared with slightly less than half of the repurchasers. The difference is accounted for by the fact that more than 37% of refinancers opted for a 15-year FRM compared with 14.7% of repurchasers. A smaller percentage of refinancers than repurchasers took out a 30-year FRM.

TABLE 15: **The most popular mortgage with refinancers is the 15-year FRM**

TYPE OF MORTGAGE	% OF REFINANCERS
Fixed rate mortgages	68.5%
Term of 15 years or less	37.2%
Term of 16 to 29 years	2.5%
Term of 30 years or more	28.8%
Adjustable rate mortgage	29.7%
Others*	1.8%

*Include mortgages such as balloon loans, GPMs, etc.

Source: Research Dept., U.S. League of Savings Institutions.

This trend toward forms of mortgage financing other than the traditional 30-year FRM is likely to continue in the future for a couple of reasons. First, as mortgage borrowers mature, they will realize the many benefits of ARMs and shorter-term mortgages. They will come to understand that the premium they are paying in the form of a higher rate to guarantee fixed payments for 30 years exceeds the benefits.

Second, the ARM has supported the housing market through periods when it would have slumped if the only mortgage available had been the FRM. The ARM makes housing affordable for millions of home buyers. While the 30-year FRM is not dead, it is gradually fading in importance.

IMPLICATIONS FOR NATIONAL HOUSING POLICY

In the U.S. League's 1977-78 study entitled, Homeownership: Affording the Single-family Home, we argued that most discussions of national housing policy failed to recognize the significance of local housing market characteristics. Further, we noted that the substantial differences between first-time home buyers and repurchasers were also routinely ignored.

These observations and the results of our 1977 survey led us to conclude that national housing policy should be much more focused. We suggested that the focus should be on the needs of the first-time home buyer in individual local housing markets, particularly those involving very high housing costs.

Over the decade since our 1977 survey, we have repeatedly studied and reported on housing market conditions. Up to and including our most recent survey of 1987, we have continued to find strong evidence that our conclusions of a dedade ago were correct. National housing policy should focus on the needs of first-time home buyers and those with low or moderate incomes in individual local housing markets.

In this regard, we find several recent trends in mortgage finance extremely disturbing. For example, the federal government now guarantees, either directly through FHA/VA or indirectly through Fannie Mae and Freddie Mac, two out of every five mortgage loans outstanding and three out of five being made in the United States. In fact, if the trends of 1986-87 continue, this federalization of the mortgage market will accelerate during the next several years.

We see no possible justification for this development. Further, we would argue that it results from a clear lack of focus in national housing policy.

For example, our data indicate that refinancers are much better off than first-time home buyers. In addition, they already enjoy the benefits of homeownership. Their relatively greater use of the 15-year, fixed rate mortgage also indicates that they have the ability to handle their housing expense without undue stress.

Given the financial ability of these mortgage borrowers to pay for their housing, does it make sense for the federal government to subsidize them with guaranteed loans? Shouldn't such guarantees be redirected to those who really need them?

Similarly, our data show that repurchasers are also much better off than first-time home buyers. They already enjoy homeownership and generally are in the process of upgrading their home purchase. Should the federal government routinely subsidize these mortgage borrowers with directly or indirectly guaranteed loans?

Still, perhaps the most disturbing aspect of current national housing policy concerns the loan purchase limits applied to Fannie Mae and Freddie Mac. Our survey data indicate that the median loan amount for refinancers in the conventional mortgage market was $62,000 in 1987. The median loan amount for first-time buyers was $65,200 in 1987 while that for repurchasers was $76,000. The Fannie Mae/Freddie Mac loan purchase limit in 1987 was $153,100 or twice as much as the highest of these loan amounts. Clearly, this purchase limit was too high last year and should not have been further increased to $168,700 for 1988.

Our survey data also show that there are enormous differences in home purchase prices and loan amounts in different metropolitan areas and different geographic regions. The FHA program tries to make some adjustments for these local market differences while the Fannie Mae/Freddie Mac loan limits do not. Why not?

Recently, the nation's private mortgage insurers sponsored a study which essentially asserts that the private sector using private insurers can do much of the job now being performed by the FHA. The argument is that the FHA provides guarantees for mortgage borrowers who do not require such subsidies.

Although further detailed analysis needs to be performed, our survey findings are generally supportive of the private mortgage insurers' assertions. The median mortgage loan amounts noted earlier are well within the 1987 FHA limits given their high cost area adjustments. Further, one-half of these conventional loans had downpayments of less than 20% which is the point that brings in private mortgage insurance.

In sum, we would reiterate our recommendation of a decade ago. National housing policy must become much more focused. It should aim to assist those most in need--first-time buyers and those having low or moderate incomes. Otherwise, it should allow the private sector to serve that large majority of the home buying public that doesn't need federally guaranteed loans or the subsidies they provide.

THE CHANGING PROFILE OF

Home Buyers in Local Markets

Appendix

A

PROFILE OF THE BALTIMORE METROPOLITAN AREA HOME BUYER

CHARACTERISTIC	1987 BALTIMORE HOME BUYERS	1977 BALTIMORE HOME BUYERS
Median age	38 yrs.	32 yrs.
Unmarried	34.0%	14.1%
One- and two-person households	55.0%	42.8%
Annual household income		
Less than $24,999	10.5%	68.0%
$25,000 to $34,999	9.1%	17.0%
$35,000 to $44,999	17.2%	
$45,000 to $54,999	18.9%	15.0%
$55,000 or more	44.3%	
Median income	$53,196	$20,400
New homes	42.8%	51.0%
Homes of 25 or more years	28.8%	18.4%
Purchase price		
Less than $50,000	15.4%	61.2%
$50,000 to $79,999	18.7%	31.3%
$80,000 to $99,999	15.4%	
$100,000 to $119,999	15.4%	
$120,000 to $139,999	8.8%	7.5%
$140,000 or more	26.4%	
Median price	$106,500	$47,000
Total monthly housing expense		
Less than $600	29.1%	93.2%
$601 to $900	30.3%	
More than $900	40.6%	6.8%
Median monthly housing expense total	$900	$409
Mortgage payment	$655	$280
Real estate taxes	$ 97	$ 57
Utilities	$125	$ 62
Hazard insurance	$ 23	$ 10
Downpayment		
10% or less	24.6%	13.6%
20% or more	54.0%	72.8%
Median downpayment	$20,000	$12,128

PROFILE OF THE CHICAGO METROPOLITAN AREA HOME BUYER

CHARACTERISTIC	1987 CHICAGO HOME BUYERS	1977 CHICAGO HOME BUYERS
Median age	35 yrs.	31 yrs.
Unmarried	27.0%	18.2%
One- and two-person households	50.2%	49.8%
Annual household income		
Less than $24,999	8.2%	50.9%
$25,000 to $34,999	16.8%	29.0%
$35,000 to $44,999	21.5%	
$45,000 to $54,999	15.9%	20.1%
$55,000 or more	37.6%	
Median income	$48,600	$24,972
New homes	17.3%	21.1%
Homes of 25 or more years	48.4%	27.0%
Purchase price		
Less than $50,000	6.7%	49.3%
$50,000 to $79,999	19.2%	39.2%
$80,000 to $99,999	16.4%	
$100,000 to $119,999	14.6%	
$120,000 to $139,999	15.5%	11.5%
$140,000 or more	27.6%	
Median price	$110,000	$50,900
Total monthly housing expense		
Less than $600	21.5%	87.1%
$601 to $900	33.9%	
More than $900	44.6%	12.9%
Median monthly housing expense total	$907	$429
Mortgage payment	$637	$291
Real estate taxes	$122	$ 64
Utilities	$125	$ 60
Hazard insurance	$ 23	$ 14
Downpayment		
10% or less	8.7%	9.7%
20% or more	59.4%	77.2%
Median downpayment	$26,600	$11,600

PROFILE OF THE COLUMBUS, OHIO, METROPOLITAN AREA HOME BUYER

CHARACTERISTIC	1987 COLUMBUS HOME BUYERS	1977 COLUMBUS HOME BUYERS
Median age	34 yrs.	32 yrs.
Unmarried	23.7%	13.5%
One- and two-person households	52.2%	45.7%
Annual household income		
Less than $24,999	16.2%	67.7%
$25,000 to $34,999	17.6%	21.0%
$35,000 to $44,999	29.5%	
$45,000 to $54,999	19.2%	11.3%
$55,000 or more	17.5%	
Median income	$40,320	$20,586
New homes	42.9%	20.4%
Homes of 25 or more years	17.9%	26.9%
Purchase price		
Less than $50,000	11.6%	63.4%
$50,000 to $79,999	27.9%	31.7%
$80,000 to $99,999	25.6%	
$100,000 to $119,999	20.9%	
$120,000 to $139,999	7.0%	4.9%
$140,000 or more	7.0%	
Median price	$88,000	$42,000
Total monthly housing expense		
Less than $600	33.9%	91.9%
$601 to $900	39.9%	
More than $900	26.2%	8.1%
Median monthly housing expense total	$725	$365
Mortgage payment	$516	$258
Real estate taxes	$ 89	$ 35
Utilities	$100	$ 62
Hazard insurance	$ 20	$ 10
Downpayment		
10% or less	7.1%	12.9%
20% or more	53.4%	71.0%
Median downpayment	$15,200	$7,804

PROFILE OF THE HOUSTON/GALVESTON/BRAZORIA METROPOLITAN AREA HOME BUYER

CHARACTERISTIC	1987 HOUSTON/ GALVESTON/ BRAZORIA HOME BUYERS	1977 HOUSTON/ GALVESTON/ BRAZORIA HOME BUYERS
Median age	38 yrs.	29 yrs.
Unmarried	29.2%	19.6%
One- and two-person households	42.8%	42.5%
Annual household income		
Less than $24,999	5.8%	64.7%
$25,000 to $34,999	16.0%	25.3%
$35,000 to $44,999	19.5%	
$45,000 to $54,999	13.2%	10.0%
$55,000 or more	45.5%	
Median income	$53,400	$23,490
New homes	14.4%	35.4%
Homes of 25 or more years	8.3%	14.1%
Purchase price		
Less than $50,000	28.3%	60.6%
$50,000 to $79,999	26.4%	35.4%
$80,000 to $99,999	13.2%	
$100,000 to $119,999	9.4%	
$120,000 to $139,999	9.4%	4.0%
$140,000 or more	13.2%	
Median price	$73,000	$46,900
Total monthly housing expense		
Less than $600	28.6%	87.9%
$601 to $900	31.2%	
More than $900	40.2%	12.1%
Median monthly housing expense total	$854	$439
Mortgage payment	$562	$291
Real estate taxes	$109	$ 48
Utilities	$140	$ 74
Hazard insurance	$ 43	$ 26
Downpayment		
10% or less	65.5%	27.3%
20% or more	20.4%	51.5%
Median downpayment	$5,300	$6,000

PROFILE OF THE LOS ANGELES/LONG BEACH METROPOLITAN AREA HOME BUYER

CHARACTERISTIC	1987 LOS ANGELES/ LONG BEACH HOME BUYERS	1977 LOS ANGELES/ LONG BEACH HOME BUYERS
Median age	36 yrs.	36 yrs.
Unmarried	36.7%	18.3%
One- and two-person households	61.4%	50.5%
Annual household income		
Less than $24,999	6.2%	32.4%
$25,000 to $34,999	8.1%	34.0%
$35,000 to $44,999	17.8%	
$45,000 to $54,999	17.6%	33.6%
$55,000 or more	50.2%	
Median income	$55,608	$28,944
New homes	11.6%	23.1%
Homes of 25 or more years	49.2%	24.5%
Purchase price		
Less than $50,000	3.3%	24.9%
$50,000 to $79,999	5.0%	46.4%
$80,000 to $99,999	9.2%	
$100,000 to $119,999	14.2%	
$120,000 to $139,999	16.3%	28.7%
$140,000 or more	51.9%	
Median price	$142,900	$65,000
Total monthly housing expense		
Less than $600	9.4%	59.1%
$601 to $900	23.5%	
More than $900	67.2%	40.9%
Median monthly housing expense total	$1,144	$567
Mortgage payment	$881	$403
Real estate taxes	$130	$ 99
Utilities	$100	$ 50
Hazard insurance	$ 33	$ 15
Downpayment		
10% or less	21.9%	4.3%
20% or more	37.5%	88.0%
Median downpayment	$28,750	$14,300

PROFILE OF THE MIAMI/HIALEAH METROPOLITAN AREA HOME BUYER

CHARACTERISTIC	1987 MIAMI/ HIALEAH HOME BUYERS	1977 MIAMI/ HIALEAH HOME BUYERS
Median age	37 yrs.	40 yrs.
Unmarried	33.7%	20.2%
One- and two-person households	63.2%	51.0%
Annual household income		
Less than $24,999	14.4%	37.0%
$25,000 to $34,999	18.8%	35.0%
$35,000 to $44,999	20.2%	
$45,000 to $54,999	14.4%	28.0%
$55,000 or more	32.1%	
Median income	$44,196	$27,666
New homes	15.6%	41.0%
Homes of 25 or more years	21.6%	21.0%
Purchase price		
Less than $50,000	22.4%	53.0%
$50,000 to $79,999	34.3%	37.0%
$80,000 to $99,999	16.4%	
$100,000 to $119,999	4.5%	
$120,000 to $139,999	14.9%	10.0%
$140,000 or more	7.5%	
Median price	$78,900	$48,500
Total monthly housing expense		
Less than $600	37.6%	83.0%
$601 to $900	39.0%	
More than $900	23.4%	17.0%
Median monthly housing expense total	$741	$443
Mortgage payment	$541	$297
Real estate taxes	$ 73	$ 50
Utilities	$100	$ 80
Hazard insurance	$ 27	$ 16
Downpayment		
10% or less	3.0%	10.0%
20% or more	58.3%	75.0%
Median downpayment	$15,980	$10,203

PROFILE OF THE MILWAUKEE METROPOLITAN AREA HOME BUYER

CHARACTERISTIC	1987 MILWAUKEE HOME BUYERS	1977 MILWAUKEE HOME BUYERS
Median age	33 yrs.	30 yrs.
Unmarried	24.5%	16.1%
One- and two-person households	49.9%	42.1%
Annual household income		
Less than $24,999	11.5%	74.0%
$25,000 to $34,999	25.6%	19.7%
$35,000 to $44,999	27.5%	
$45,000 to $54,999	18.2%	6.3%
$55,000 or more	17.1%	
Median income	$38,952	$21,198
New homes	26.1%	16.5%
Homes of 25 or more years	44.6%	43.3%
Purchase price		
Less than $50,000	13.0%	65.8%
$50,000 to $79,999	43.2%	29.1%
$80,000 to $99,999	18.3%	
$100,000 to $119,999	13.0%	
$120,000 to $139,999	5.3%	5.1%
$140,000 or more	7.1%	
Median price	$76,400	$42,900
Total monthly housing expense		
Less than $600	32.6%	91.0%
$601 to $900	44.0%	
More than $900	23.4%	9.0%
Median monthly housing expense total	$734	$411
Mortgage payment	$457	$268
Real estate taxes	$162	$ 83
Utilities	$100	$ 50
Hazard insurance	$ 15	$ 10
Downpayment		
10% or less	19.6%	25.2%
20% or more	51.6%	57.1%
Median downpayment	$15,800	$7,001

PROFILE OF THE MINNEAPOLIS-ST. PAUL METROPOLITAN AREA HOME BUYER

CHARACTERISTIC	1987 MINNEAPOLIS-ST. PAUL HOME BUYERS	1977 MINNEAPOLIS-ST. PAUL HOME BUYERS
Median age	35 yrs.	30 yrs.
Unmarried	17.9%	9.9%
One- and two-person households	36.8%	34.8%
Annual household income		
Less than $24,999	10.3%	63.0%
$25,000 to $34,999	17.9%	31.5%
$35,000 to $44,999	10.3%	
$45,000 to $54,999	25.6%	5.4%
$55,000 or more	35.9%	
Median income	$48,168	$21,894
New homes	42.1%	33.7%
Homes of 25 or more years	21.1%	66.3%
Purchase price		
Less than $50,000	10.5%	60.9%
$50,000 to $79,999	18.4%	37.0%
$80,000 to $99,999	7.9%	
$100,000 to $119,999	18.4%	
$120,000 to $139,999	18.4%	2.1%
$140,000 or more	26.3%	
Median price	$114,000	$47,250
Total monthly housing expense		
Less than $600	20.5%	91.3%
$601 to $900	28.2%	
More than $900	51.3%	8.7%
Median monthly housing expense total	$898	$421
Mortgage payment	$643	$302
Real estate taxes	$125	$ 54
Utilities	$100	$ 50
Hazard insurance	$ 30	$ 15
Downpayment		
10% or less	13.5%	10.9%
20% or more	54.1%	67.4%
Median downpayment	$24,300	$9,518

PROFILE OF THE NEW YORK/NORTHERN NEW JERSEY/LONG ISLAND METROPOLITAN AREA HOME BUYER

CHARACTERISTIC	1987 NEW YORK/ NORTHERN NEW JERSEY/ LONG ISLAND HOME BUYERS	1977 NEW YORK/ NORTHERN NEW JERSEY/ LONG ISLAND HOME BUYERS
Median age	34 yrs.	35 yrs.
Unmarried	30.1%	12.6%
One- and two-person households	62.4%	41.0%
Annual household income		
Less than $24,999	1.9%	37.3%
$25,000 to $34,999	8.3%	23.1%
$35,000 to $44,999	16.4%	
$45,000 to $54,999	16.8%	39.6%
$55,000 or more	56.6%	
Median income	$60,528	$29,406
New homes	19.3%	21.0%
Homes of 25 or more years	43.6%	42.7%
Purchase price		
Less than $50,000	6.5%	52.3%
$50,000 to $79,999	8.6%	37.7%
$80,000 to $99,999	11.1%	
$100,000 to $119,999	12.1%	
$120,000 to $139,999	11.1%	10.0%
$140,000 or more	50.7%	
Median price	$142,400	$48,500
Total monthly housing expense		
Less than $600	10.7%	69.8%
$601 to $900	25.1%	
More than $900	64.2%	30.2%
Median monthly housing expense total	$1,105	$497
Mortgage payment	$805	$291
Real estate taxes	$167	$111
Utilities	$100	$ 70
Hazard insurance	$ 33	$ 25
Downpayment		
10% or less	12.6%	7.1%
20% or more	65.2%	87.8%
Median downpayment	$34,250	$13,500

PROFILE OF THE PHILADELPHIA METROPOLITAN AREA HOME BUYER

CHARACTERISTIC	1987 PHILADELPHIA HOME BUYERS	1977 PHILADELPHIA HOME BUYERS
Median age	33 yrs.	32 yrs.
Unmarried	26.9%	18.5%
One- and two-person households	55.4%	48.0%
Annual household income		
Less than $24,999	8.7%	62.0%
$25,000 to $34,999	18.5%	22.0%
$35,000 to $44,999	17.8%	
$45,000 to $54,999	15.3%	16.0%
$55,000 or more	39.7%	
Median income	$47,352	$22,000
New homes	23.9%	24.5%
Homes of 25 or more years	38.4%	33.5%
Purchase price		
Less than $50,000	12.7%	63.5%
$50,000 to $79,999	19.4%	28.0%
$80,000 to $99,999	20.1%	
$100,000 to $119,999	13.7%	
$120,000 to $139,999	8.4%	8.5%
$140,000 or more	25.8%	
Median price	$99,000	$45,000
Total monthly housing expense		
Less than $600	29.2%	89.5%
$601 to $900	35.9%	
More than $900	34.9%	10.5%
Median monthly housing expense total	$855	$393
Mortgage payment	$588	$250
Real estate taxes	$117	$ 63
Utilities	$125	$ 70
Hazard insurance	$ 25	$ 10
Downpayment		
10% or less	9.8%	19.5%
20% or more	63.2%	70.5%
Median downpayment	$24,000	$10,415

PROFILE OF THE PITTSBURGH METROPOLITAN AREA HOME BUYER

CHARACTERISTIC	1987 PITTSBURGH HOME BUYERS	1977 PITTSBURGH HOME BUYERS
Median age	33 yrs.	31 yrs.
Unmarried	28.6%	21.8%
One- and two-person households	60.0%	54.4%
Annual household income		
Less than $24,999	25.0%	66.4%
$25,000 to $34,999	20.0%	22.8%
$35,000 to $44,999	32.5%	
$45,000 to $54,999	7.5%	10.8%
$55,000 or more	15.0%	
Median income	$37,644	$21,036
New homes	45.2%	17.4%
Homes of 25 or more years	35.7%	40.3%
Purchase price		
Less than $50,000	35.0%	72.5%
$50,000 to $79,999	17.5%	24.2%
$80,000 to $99,999	25.0%	
$100,000 to $119,999	7.5%	
$120,000 to $139,999	7.5%	3.3%
$140,000 or more	7.5%	
Median price	$71,500	$37,800
Total monthly housing expense		
Less than $600	47.6%	93.9%
$601 to $900	31.0%	
More than $900	21.4%	6.1%
Median monthly housing expense total	$630	$364
Mortgage payment	$430	$236
Real estate taxes	$ 85	$ 60
Utilities	$100	$ 60
Hazard insurance	$ 15	$ 8
Downpayment		
10% or less	17.9%	30.2%
20% or more	56.4%	53.0%
Median downpayment	$13,000	$5,100

PROFILE OF THE PORTLAND, ORE., METROPOLITAN AREA HOME BUYER

CHARACTERISTIC	1987 PORTLAND HOME BUYERS	1977 PORTLAND HOME BUYERS
Median age	38 yrs.	30 yrs.
Unmarried	28.4%	21.0%
One- and two-person households	57.1%	41.1%
Annual household income		
Less than $24,999	13.2%	68.6%
$25,000 to $34,999	19.1%	23.4%
$35,000 to $44,999	23.5%	
$45,000 to $54,999	11.8%	8.0%
$55,000 or more	32.4%	
Median income	$42,156	$20,694
New homes	25.4%	16.9%
Homes of 25 or more years	23.9%	36.3%
Purchase price		
Less than $50,000	14.9%	83.8%
$50,000 to $79,999	44.8%	15.3%
$80,000 to $99,999	14.9%	
$100,000 to $119,999	14.9%	
$120,000 to $139,999	1.5%	0.9%
$140,000 or more	9.0%	
Median price	$72,950	$35,500
Total monthly housing expense		
Less than $600	32.4%	98.4%
$601 to $900	36.8%	
More than $900	30.9%	1.6%
Median monthly housing expense total	$720	$376
Mortgage payment	$460	$240
Real estate taxes	$143	$ 56
Utilities	$100	$ 70
Hazard insurance	$ 17	$ 10
Downpayment		
10% or less	25.4%	27.4%
20% or more	44.8%	58.9%
Median downpayment	$15,000	$5,608

PROFILE OF THE ST. LOUIS METROPOLITAN AREA HOME BUYER

CHARACTERISTIC	1987 ST. LOUIS HOME BUYERS	1977 ST. LOUIS HOME BUYERS
Median age	35 yrs.	30 yrs.
Unmarried	24.9%	21.6%
One- and two-person households	51.0%	52.0%
Annual household income		
Less than $24,999	17.0%	74.0%
$25,000 to $34,999	22.2%	18.7%
$35,000 to $44,999	22.7%	
$45,000 to $54,999	11.3%	7.3%
$55,000 or more	26.8%	
Median income	$40,722	$20,130
New homes	28.0%	24.0%
Homes of 25 or more years	30.9%	18.7%
Purchase price		
Less than $50,000	14.9%	73.3%
$50,000 to $79,999	32.0%	19.3%
$80,000 to $99,999	20.6%	
$100,000 to $119,999	8.8%	
$120,000 to $139,999	8.2%	7.4%
$140,000 or more	15.5%	
Median price	$84,600	$37,000
Total monthly housing expense		
Less than $600	46.4%	96.0%
$601 to $900	32.0%	
More than $900	21.6%	4.0%
Median monthly housing expense total	$708	$333
Mortgage payment	$493	$226
Real estate taxes	$ 68	$ 43
Utilities	$120	$ 51
Hazard insurance	$ 27	$ 13
Downpayment		
10% or less	15.3%	17.3%
20% or more	57.7%	68.7%
Median downpayment	$19,400	$7,500

PROFILE OF THE SAN FRANCISCO/OAKLAND/SAN JOSE METROPOLITAN AREA HOME BUYER

CHARACTERISTIC	1987 SAN FRANCISCO OAKLAND/ SAN JOSE HOME BUYERS	1977 SAN FRANCISCO OAKLAND/ SAN JOSE HOME BUYERS
Median age	36 yrs.	35 yrs.
Unmarried	36.5%	25.6%
One- and two-person households	57.0%	45.2%
Annual household income		
Less than $24,999	3.1%	28.4%
$25,000 to $34,999	12.4%	35.2%
$35,000 to $44,999	14.4%	
$45,000 to $54,999	14.4%	36.4%
$55,000 or more	55.7%	
Median income	$57,204	$30,600
New homes	15.7%	16.7%
Homes of 25 or more years	39.1%	37.2%
Purchase price		
Less than $50,000	0.8%	19.2%
$50,000 to $79,999	3.3%	40.8%
$80,000 to $99,999	8.2%	
$100,000 to $119,999	9.0%	
$120,000 to $139,999	13.1%	40.0%
$140,000 or more	65.6%	
Median price	$169,347	$72,000
Total monthly housing expense		
Less than $600	4.9%	39.6%
$601 to $900	17.2%	
More than $900	77.9%	60.4%
Median monthly housing expense total	$1,320	$614
Mortgage payment	$1,020	$445
Real estate taxes	$163	$ 99
Utilities	$100	$ 50
Hazard insurance	$ 37	$ 20
Downpayment		
10% or less	9.0%	1.6%
20% or more	50.0%	98.0%
Median downpayment	$35,800	$15,500

PROFILE OF THE WASHINGTON, D.C., METROPOLITAN AREA HOME BUYER

CHARACTERISTIC	1987 WASHINGTON, D.C. HOME BUYERS	1977 WASHINGTON, D.C. HOME BUYERS
Median age	37 yrs.	34 yrs.
Unmarried	32.1%	20.7%
One- and two-person households	55.2%	53.9%
Annual household income		
Less than $24,999	0.9%	27.3%
$25,000 to $34,999	9.3%	30.5%
$35,000 to $44,999	12.1%	
$45,000 to $54,999	20.6%	42.2%
$55,000 or more	57.0%	
Median income	$62,160	$32,718
New homes	24.8%	26.5%
Homes of 25 or more years	37.6%	26.0%
Purchase price		
Less than $50,000	3.4%	17.4%
$50,000 to $79,999	10.3%	50.0%
$80,000 to $99,999	12.1%	
$100,000 to $119,999	10.3%	
$120,000 to $139,999	18.1%	32.6%
$140,000 or more	45.7%	
Median price	$137,500	$68,000
Total monthly housing expense		
Less than $600	13.3%	64.3%
$601 to $900	19.0%	
More than $900	67.6%	35.7%
Median monthly housing expense total	$1,178	$578
Mortgage payment	$933	$388
Real estate taxes	$110	$ 85
Utilities	$110	$ 91
Hazard insurance	$ 25	$ 14
Downpayment		
10% or less	31.5%	6.6%
20% or more	47.2%	86.8%
Median downpayment	$23,150	$17,500

THE CHANGING PROFILE OF
Home Buyers Nationwide

Appendix

B

HOME BUYERS NATIONWIDE: 1987, 1985 and 1983

STATISTICAL PROFILE AT A GLANCE

	1987	1985	1983
WHO THEY WERE			
A Demographic Profile			
Median age	37.0 yrs.	35.8 yrs.	34.4 yrs.
Unmarried	26.0%	25.2%	25.8%
One- and two-person households	53.6%	52.9%	51.3%
An Economic Profile			
Median income	$45,996	$42,396	$35,987
Importance of second income*	54.5%	56.5%	53.6%
First-time Buyers	35.1%	39.1%	39.7%
WHAT THEY PURCHASED...			
Condominiums	13.5%	13.4%	10.9%
New homes	24.8%	22.1%	19.1%
Homes 25 or more years old	30.0%	33.9%	34.2%
Median size of home (sq.ft.)	1,568	1,461	1,451
...and Its Cost			
Median purchase price	$95,000	$75,000	$65,000
Median downpayment	$19,850	$14,100	$12,000
Median total monthly housing expense	$822	$770	$709
Mortgage payment	$601	$573	$524
Real estate taxes	$ 96	$ 75	$ 65
Utilities	$100	$100	$100
Hazard insurance	$ 25	$ 22	$ 20
HOW THEY AFFORDED THEIR PURCHASE			
Less than 20% downpayment	50.4%	55.9%	55.1%
Housing expense exceeding 25% of household income	30.5%	33.5%	40.4%

*Percentage of households with two adults in which income contributed by a second earner accounted for 10% or more of total household income.

HOME BUYERS NATIONWIDE: 1981, 1979 AND 1977

STATISTICAL PROFILE AT A GLANCE

	1981	1979	1977
WHO THEY WERE			
A Demographic Profile			
Median age	33.6 yrs.	32.8 yrs.	32.4 yrs.
Unmarried	29.6%	22.4%	17.0%
One- and two-person households	57.4%	51.9%	45.8%
An Economic Profile			
Median income	$39,196	$28,110	$22,700
Importance of second income*	52.1%	53.9%	47.2%
First-time Buyers	13.5%	17.8%	36.3%
WHAT THEY PURCHASED...			
Condominiums	21.5%	11.0%	N/A
New homes	26.1%	30.8%	25.4%
Homes 25 or more years old	29.5%	27.5%	23.7%
Median size of home (sq.ft.)	1,450	N/A	N/A
...and Its Cost			
Median purchase price	$72,000	$58,000	$44,000
Median downpayment	$16,100	$12,282	$9,000
Median total monthly housing expense	$816	$550	$400
Mortgage payment	$624	$401	$273
Real estate taxes	$ 72	$ 58	$ 54
Utilities	$100	$ 75	$ 60
Hazard insurance	$ 20	$ 16	$ 13
HOW THEY AFFORDED THEIR PURCHASE			
Less than 20% downpayment	30.9%	42.9%	32.1%
Housing expense exceeding 25% of household income	44.9%	45.7%	38.1%

*Percentage of households with two adults in which income contributed by a second earner accounted for 10% or more of total household income.

TABLE B.1: Age of borrowers nationwide

AGE	1987	1985	1983	1981	1979	1977
24 years or less	4.2%	6.4%	8.1%	9.7%	10.2%	11.5%
25-29	16.8%	19.9%	20.3%	22.1%	23.1%	24.9%
30-34	20.4%	21.0%	21.8%	21.9%	21.6%	21.8%
35-39	17.8%	16.9%	16.0%	14.9%	14.5%	12.9%
40-44	13.8%	11.9%	10.7%	9.8%	9.3%	9.1%
45-49	9.1%	7.8%	7.0%	7.0%	7.2%	7.1%
50-54	6.2%	5.9%	5.8%	5.8%	5.7%	5.5%
55-59	4.7%	4.5%	4.6%	4.7%	4.4%	3.6%
60-64	3.6%	2.9%	3.0%	2.1%	2.3%	1.9%
65 or more	3.5%	2.7%	2.7%	1.9%	1.6%	1.5%
Median age	37.0	35.8	34.4	33.6	33.1	32.4

TABLE B.2: Marital status of home buyers nationwide

MARITAL STATUS	1987	1985	1983	1981	1979	1977
Married	74.0%	74.8%	74.2%	70.4%	77.6%	83.1%
Unmarried individuals	19.7%	18.1%	18.1%	24.3%	16.6%	13.0%
Unmarried couples	6.3%	7.1%	7.7%	5.3%	5.8%	3.9%

TABLE B.3: Household size of home buyers nationwide

NUMBER IN HOUSEHOLD	1987	1985	1983	1981	1979	1977
One	17.4%	14.4%	13.8%	24.2%	18.9%	13.4%
Two	36.2%	38.5%	37.5%	33.2%	33.0%	32.4%
Three	16.6%	18.0%	17.9%	16.4%	18.3%	18.4%
Four	20.4%	19.6%	19.6%	17.1%	19.1%	21.8%
Five or more	9.4%	9.5%	11.2%	9.1%	10.7%	14.1%
Average household size	2.73	2.75	2.81	2.57	2.74	2.97

TABLE B.4: **Income of home buyers nationwide**

ANNUAL HOUSEHOLD INCOME	1987	1985	1983	1981	1979	1977
Less than $15,000	1.9%	2.0%	6.0%	2.9%	7.4%	15.1%
$15,000-$19,999	3.5%	4.2%	7.7%	5.1%	14.2%	23.0%
$20,000-$24,999	6.4%	7.7%	11.4%	8.8%	18.2%	21.8%
$25,000-$34,999	16.8%	20.9%	22.9%	23.8%	30.1%	22.8%
$35,000-$44,999	19.6%	19.7%	18.7%	20.4%	14.5%	7.2%
$45,000-$54,999	16.0%	14.6%	12.1%	13.6%		
$55,000-$64,999	10.6%	9.2%	6.6%	7.7%	15.6%	10.2%
$65,000 or more	25.3%	21.8%	14.5%	17.7%		
Median income	$45,996	$42,396	$35,987	$39,196	$28,110	$22,700

TABLE B.5: **Second income as a percentage of total income for home buyers nationwide**

SECOND INCOME AS A PERCENTAGE OF TOTAL HOUSEHOLD INCOME*	1987	1985	1983	1981	1979	1977
Less than 10.0%	45.5%	43.5%	46.4%	47.9%	46.1%	52.8%
10.0%-19.9%	6.6%	7.1%	7.2%	5.9%	6.2%	5.4%
20.0%-29.9%	10.7%	10.7%	11.1%	11.4%	11.5%	9.9%
30.0%-39.9%	16.8%	17.1%	16.0%	16.6%	16.7%	15.2%
40.0%-50.0%	20.3%	21.5%	19.3%	18.2%	19.5%	16.7%

*Includes only households with two adults.

TABLE B.6: **Price of homes purchased nationwide**

PRICE	1987	1985	1983	1981	1979	1977
Less than $30,000	4.4%	6.2%	10.0%	6.9%	10.1%	18.6%
$30,000-$49,999	11.0%	15.9%	20.8%	16.9%	27.9%	43.8%
$50,000-$69,999	14.8%	22.4%	24.5%	24.4%	28.6%	22.7%
$70,000-$89,999	15.5%	18.4%	16.8%	19.2%	17.1%	9.4%
$90,000-$99,999	6.5%	5.7%	4.9%	6.0%		
$100,000-$119,999	10.3%	9.0%	7.4%	8.2%		
$120,000-$139,999	9.9%	6.9%	5.7%	6.2%	16.3%	5.5%
$140,000 or more	27.6%	15.5%	9.8%	12.2%		
Median price	$95,000	$75,000	$65,000	$72,000	$58,000	$44,050

TABLE B.7: Age of homes purchased nationwide

AGE OF HOME	1987	1985	1983	1981	1979	1977
30 years of more	24.8%	27.4%	28.2%	24.1%	21.1%	19.9%
25-29	5.2%	6.5%	6.0%	5.4%	6.4%	3.8%
20-24	3.0%	2.9%	5.8%	4.6%	6.9%	7.7%
15-19	6.4%	6.7%	6.1%	5.6%	7.4%	8.4%
10-14	10.4%	9.0%	8.5%	6.6%	6.8%	8.3%
5-9	13.4%	12.2%	12.1%	10.1%	8.4%	9.0%
1-4	12.0%	11.4%	14.2%	17.5%	12.2%	17.5%
New	24.8%	22.1%	19.1%	26.1%	30.8%	25.4%
Median age						
Existing homes	16	20	19	16	19	17
All homes	10	12	12	9	10	9

TABLE B.8: Size of homes purchased nationwide

HOME SIZE (SQ. FT.)	EXISTING HOMES				NEW HOMES			
	1987	1985	1983	1981	1987	1985	1983	1981
Less than 750	3.3%	3.5%	3.4%	7.5%	0.9%	1.6%	2.3%	3.2%
751-1,000	10.2%	11.9%	11.9%	14.6%	2.8%	6.5%	8.9%	7.8%
1,001-1,250	17.7%	21.1%	20.4%	20.4%	12.4%	18.1%	16.8%	14.7%
1,251-1,500	18.8%	17.9%	18.8%	16.6%	14.9%	20.9%	19.9%	14.8%
1,501-1,750	14.6%	13.9%	14.3%	12.9%	13.9%	14.6%	12.9%	14.0%
1,751-2,000	11.0%	10.2%	10.0%	8.3%	13.8%	12.3%	10.2%	11.4%
2,001-2,500	13.6%	12.0%	11.9%	11.1%	22.3%	14.1%	14.2%	17.2%
2,501-3,000	5.9%	4.9%	4.6%	4.1%	9.6%	6.7%	7.9%	10.2%
Greater than 3,000	4.8%	4.6%	4.8%	4.5%	9.5%	5.3%	7.0%	6.6%
Median size	1,501	1,440	1,440	1,370	1,842	1,540	1,536	1,667

HOME SIZE (SQ. FT.)	ALL HOMES			
	1987	1985	1983	1981
Less than 750	2.7%	3.1%	3.2%	4.6%
751-1,000	8.4%	10.7%	11.3%	13.0%
1,001-1,250	16.4%	20.4%	19.7%	19.3%
1,251-1,500	17.9%	18.6%	19.0%	16.5%
1,501-1,750	14.4%	14.1%	14.0%	13.4%
1,751-2,000	11.7%	10.6%	10.0%	9.2%
2,001-2,500	15.7%	12.5%	12.3%	13.0%
2,501-3,000	6.8%	5.3%	5.2%	5.8%
Greater than 3,000	5.9%	4.7%	5.2%	5.2%
Median size	1,568	1,461	1,451	1,450

TABLE B.9: **Monthly housing expense for home buyers nationwide**

MONTHLY HOUSING EXPENSE	1987	1985	1983	1981	1979	1977
$300 or less	5.3%	4.7%	7.6%	5.4%	12.0%	17.8%
$301-$400	7.1%	7.7%	9.3%	6.5%	14.3%	32.2%
$401-$500	9.5%	10.6%	12.4%	9.2%	17.3%	21.2%
$501-$600	9.8%	11	13.5%	11.4%	21.0%	13.2%
$601-$700	10.6%	11.3	12.4%	11.8%		
$701-$900	18.3%	19.9%	17.4%	20.1%		
$901-$1,100	13.8%	11.5%	10.1%	12.7%	35.5%	15.6%
$1,101-$1,300	9.4%	7.6%	6.7%	8.3%		
More than $1,300	16.2%	14.4%	10.6%	14.5%		
Median expense	$822	$770	$709	$816	$550	$400

TABLE B.10: **Housing expense/income ratio for home buyers nationwide**

HOUSING EXPENSE AS A PERCENTAGE OF HOUSEHOLD INCOME	1987	1985	1983	1981	1979	1977
20.0% or less	45.1%	42.6%	37.3%	30.6%	28.5%	33.8%
20.1%-25.0%	24.3%	24.0%	22.2%	24.4%	25.8%	28.1%
25.1%-30.0%	17.5%	18.9%	19.4%	23.7%	24.3%	23.6%
30.1% or more	13.0%	14.6%	21.0%	21.3%	21.4%	14.5%
Median percentage	21.0%	21.6%	23.1%	24.1%	24.3%	22.0%

TABLE B.11: **Downpayment as a percentage of purchase price for home buyers nationwide**

DOWNPAYMENT	1987	1985	1983	1981	1979	1977
10.0% or less	18.7%	28.4%	27.4%	19.2%	17.1%	18.4%
10.1%-19.1%	31.7%	27.5%	27.7%	11.7%	25.8%	13.7%
20.0% or more	49.7%	44.1%	44.9%	69.1%	57.1%	67.8%
Median downpayment	$19,850	$14,100	$12,000	$16,100	$12,282	$9,000

TABLE B.12: **Distribution of mortgage types nationwide**

TYPE OF MORTGAGE	ALL MORTGAGES
Fixed rate	50.2%
Adjustable rate	47.3%
With an initial discount	27.4%
Initial rate fully indexed	19.9%
Other mortgages	2.5%

TABLE B.13: **Initial interest rate distribution by type of mortgage nationwide**

INTEREST RATE	ALL MORTGAGES	FIXED RATE MORTGAGES	ADJUSTABLE RATE MORTGAGES		
			ALL	WITH AN INITIAL DISCOUNT	WITH NO INITIAL DISCOUNT
Less than 7.0%	3.3%	0.2%	6.6%	6.9%	5.8%
7.1% to 7.5%	12.3%	0.4%	25.7%	31.1%	18.0%
7.6% to 8.0%	15.1%	1.3%	30.4%	35.5%	23.4%
8.1% to 8.5%	11.0%	6.2%	16.1%	14.2%	18.7%
8.6% to 9.0%	21.7%	30.7%	11.8%	7.9%	17.4%
9.1% to 9.5%	15.2%	23.1%	6.0%	3.0%	10.4%
9.6% to 10.0%	9.3%	15.9%	2.2%	1.3%	3.6%
10.1% to 10.5%	7.0%	13.1%	0.7%	0.1%	1.6%
10.6% to 11.0%	4.0%	7.3%	0.3%	0.0%	0.8%
11.1% to 11.5%	0.5%	0.9%	0.1%	0.0%	0.1%
11.6% to 12.0%	0.3%	0.5%	0.1%	0.0%	0.1%
12.1% or more	0.2%	0.4%	0.0%	0.0%	0.0%
Median	8.875%	9.25%	7.90%	7.75%	8.25%

THE CHANGING PROFILE OF

Repurchasers and First-time Home Buyers

Appendix

C

REPURCHASERS AND FIRST-TIME HOME BUYERS: 1987

STATISTICAL PROFILE AT A GLANCE

	1987		1977	
	REPURCHASERS	FIRST-TIME HOME BUYERS	REPURCHASERS	FIRST-TIME HOME BUYERS
WHO THEY WERE				
A Demographic Profile				
Median age	40.3 yrs.	31.5 yrs	36.0 yrs.	26.0 yrs.
Unmarried	17.3%	39.0%	12.5%	24.8%
One- and two-person households	45.7%	67.0%	34.4%	65.5%
An Economic Profile				
Median household income	$50,580	$39,300	$24,214	$20,000
Importance of second income*	50.3%	67.6%	40.3%	59.5%
WHAT THEY PURCHASED...				
Condominiums	11.9%	16.3%	N/A	N/A
New homes	27.3%	21.1%	29.4%	18.3%
Homes 25 or more years old	24.7%	38.2%	20.9%	35.7%
Median size of home (sq.ft.)	1,733	1,369	N/A	N/A
... and Its Cost				
Median purchase price	$105,800	$81,000	$48,472	$37,000
Median downpayment	$ 25,000	$12,963	$11,000	$ 5,500
Median total monthly housing expense	$860	$748	$424	$369
Mortgage payment	$633	$540	$291	$248
Real estate taxes	$100	$ 84	$ 58	$ 50
Utilities	$100	$100	$ 60	$ 60
Hazard insurance	$ 27	$ 24	$ 15	$ 11
HOW THEY AFFORDED THEIR PURCHASE				
Less than 20% downpayment	43.0%	63.2%	23.6%	47.1%
Housing expense exceeding 25% of household income	29.3%	33.3%	38.2%	37.8%

*Percentage of households with two adults in which income contributed by a second earner accounted for 10% or more of total household income.

REPURCHASERS AND FIRST-TIME HOME BUYERS: 1985 AND 1983

STATISTICAL PROFILE AT A GLANCE

	1985		1983	
	REPURCHASERS	FIRST-TIME HOME BUYERS	REPURCHASERS	FIRST-TIME HOME BUYERS
WHO THEY WERE				
A Demographic Profile				
Median age	39.4 yrs.	30.3 yrs.	38.3 yrs.	29.3 yrs.
Unmarried	17.9%	35.2%	18.5%	35.1%
One- and two-person households	44.0%	65.1%	41.9%	63.4%
An Economic Profile				
Median household income	$48,000	$35,964	$41,347	$29,571
Importance of second income*	52.9%	68.7%	46.3%	65.2%
WHAT THEY PURCHASED...				
Condominiums	11.9%	13.9%	12.5%	8.9%
New homes	24.5%	20.0%	21.3%	16.0%
Homes 25 or more years old	29.0%	45.2%	26.4%	46.1%
Median size of home (sq.ft.)	1,620	1,292	1,612	1,299
... and Its Cost				
Median purchase price	$84,500	$64,950	$75,000	$54,500
Median downpayment	$19,800	$8,700	$17,000	$7,600
Median total monthly housing expense	$821	$710	$772	$633
Mortgage payment	$612	$522	$577	$457
Real estate taxes	$ 84	$ 68	$ 74	$ 59
Utilities	$100	$100	$100	$100
Hazard insurance	$ 25	$ 20	$ 21	$ 17
HOW THEY AFFORDED THEIR PURCHASE				
Less than 20% downpayment	46.3%	68.8%	44.7%	67.9%
Housing expense exceeding 25% of household income	30.4%	38.1%	36.8%	47.2%

*Percentage of households with two adults in which income contributed by a second earner accounted for 10% or more of total household income.

REPURCHASERS AND FIRST-TIME HOME BUYERS: 1981 and 1979

STATISTICAL PROFILE AT A GLANCE

	1981		1979	
	REPURCHASERS	FIRST-TIME HOME BUYERS	REPURCHASERS	FIRST-TIME HOME BUYERS
WHO THEY WERE				
A Demographic Profile				
Median age	34.7 yrs.	28.1 yrs.	33.6 yrs.	27.8 yrs.
Unmarried	27.9%	40.6%	20.6%	30.7%
One- and two-person households	54.4%	76.2%	48.1%	69.8%
An Economic Profile				
Median household income	$40,197	$34,083	$28,796	$25,230
Importance of second income*	45.9%	58.0%	51.6%	65.5%
WHAT THEY PURCHASED...				
Condominiums	20.8%	25.6%	10.8%	11.8%
New homes	26.8%	20.7%	32.3%	23.6%
Homes 25 or more years old	28.5%	36.2%	25.7%	35.5%
Median size of home (sq.ft.)	1,489	1,265	N/A	N/A
... and Its Cost				
Median purchase price	$75,000	$58,900	$60,500	$48,950
Median downpayment	$18,000	$8,600	$13,958	$6,811
Median total monthly housing expense	$834	$721	$563	$501
Mortgage payment	$639	$565	$411	$366
Real estate taxes	$ 75	$ 58	$ 60	$ 50
Utilities	$100	$ 80	$ 75	$ 70
Hazard insurance	$ 20	$ 18	$ 17	$ 15
HOW THEY AFFORDED THEIR PURCHASE				
Less than 20% downpayment	27.3%	53.0%	38.7%	62.0%
Housing expense exceeding 25% of household income	44.6%	47.1%	45.8%	45.1%

*Percentage of households with two adults in which income contributed by a second earner accounted for 10% or more of total household income.

TABLE C.1: **Age of borrowers—repurchasers and first-time home buyers**

	REPURCHASERS					
AGE	1987	1985	1983	1981	1979	1977
24 years or less	0.9%	1.5%	2.1%	8.1%	7.7%	4.5%
25-29	9.1%	11.0%	11.2%	19.6%	20.1%	16.9%
30-34	18.6%	19.9%	21.6%	21.9%	22.1%	23.4%
35-39	19.5%	20.2%	19.1%	16.0%	16.0%	16.4%
40-44	17.0%	15.2%	13.7%	10.6%	10.3%	11.9%
45-49	11.2%	10.4%	9.6%	7.6%	7.9%	9.4%
50-54	8.2%	7.8%	7.8%	6.4%	6.4%	7.8%
55-59	6.3%	6.2%	6.7%	5.3%	5.0%	5.2%
60-64	4.6%	4.1%	4.4%	2.4%	2.7%	2.5%
65 or more	4.5%	3.8%	3.8%	2.1%	1.8%	2.0%
Median age	40.3	39.4	38.3	34.7	33.6	36.0

	FIRST-TIME BUYERS					
AGE	1987	1985	1983	1981	1979	1977
24 years or less	10.6%	14.3%	17.1%	20.3%	22.0%	23.8%
25-29	30.5%	34.5%	33.6%	38.4%	36.9%	39.1%
30-34	23.4%	22.6%	22.8%	22.0%	19.4%	19.1%
35-39	14.5%	12.1%	11.2%	7.9%	7.7%	7.0%
40-44	7.2%	6.7%	6.0%	4.7%	4.8%	4.2%
45-49	5.3%	3.8%	3.1%	3.3%	3.7%	2.8%
50-54	2.9%	2.7%	2.7%	1.8%	2.3%	1.6%
55-59	2.1%	1.7%	1.6%	1.0%	1.8%	0.8%
60-64	1.7%	1.0%	0.9%	0.4%	0.8%	0.9%
65 or more	1.7%	0.8%	1.0%	0.2%	0.6%	0.6%
Median age	31.5	30.3	29.3	28.1	27.8	26.0

TABLE C.2: **Marital status of repurchasers and first-time home buyers**

	REPURCHASERS					
MARITAL STATUS	1987	1985	1983	1981	1979	1977
Married	82.6%	82.1%	81.5%	72.1%	79.4%	87.5%
Unmarried individuals	13.9%	13.7%	13.6%	22.4%	15.4%	10.1%
Unmarried couples	3.4%	4.2%	4.9%	5.5%	5.2%	2.4%

	FIRST-TIME BUYERS					
MARITAL STATUS	1987	1985	1983	1981	1979	1977
Married	60.9%	64.8%	64.9%	59.4%	69.3%	75.2%
Unmarried individuals	28.6%	23.6%	23.8%	36.2%	22.1%	18.2%
Unmarried couples	10.4%	11.6%	11.3%	4.4%	8.6%	6.6%

TABLE C.3: **Household size of repurchasers and first-time home buyers**

NUMBER IN HOUSEHOLD	REPURCHASERS					
	1987	1985	1983	1981	1979	1977
One	12.1%	10.1%	9.4%	22.3%	17.0%	8.4%
Two	33.6%	33.9%	32.5%	32.1%	31.1%	26.0%
Three	17.8%	19.1%	18.6%	16.9%	19.1%	19.3%
Four	24.5%	24.5%	24.5%	18.6%	21.1%	27.6%
Five or more	12.0%	12.4%	15.0%	10.1%	11.7%	18.8%
Mean	2.97	3.00	3.09	2.66	2.84	3.25

NUMBER IN HOUSEHOLD	FIRST-TIME BUYERS					
	1987	1985	1983	1981	1979	1977
One	26.3%	20.5%	19.6%	36.2%	27.9%	22.0%
Two	40.7%	44.6%	43.8%	40.0%	41.9%	43.5%
Three	14.8%	16.4%	17.5%	13.5%	15.1%	17.0%
Four	13.5%	13.2%	13.2%	7.3%	9.4%	11.7%
Five or more	4.7%	5.3%	5.9%	3.0%	5.7%	5.8%
Mean	2.32	2.40	2.44	2.02	2.25	2.40

TABLE C.4: **Income of repurchasers and first-time home buyers**

ANNUAL HOUSEHOLD INCOME	REPURCHASERS 1987	1985	1983	1981	1979	1977
Less than $15,000	1.4%	1.4%	4.2%	2.8%	6.8%	11.1%
$15,000-$19,999	2.4%	2.6%	4.6%	4.7%	13.4%	20.2%
$20,000-$24,999	4.7%	5.0%	7.7%	8.3%	17.5%	22.0%
$25,000-$34,999	13.2%	17.0%	19.8%	22.8%	30.1%	25.3%
$35,000-$44,999	18.3%	18.5%	19.8%	20.0%	15.2%	8.6%
$45,000-$54,999	16.5%	15.7%	14.7%	13.8%		
$55,000-$64,999	12.2%	10.5%	8.7%	8.2%	17.1%	12.7%
$65,000 or more	31.2%	29.5%	20.7%	19.4%		
Median income	$50,580	$48,000	$41,347	$40,197	$28,796	$24,214

ANNUAL HOUSEHOLD INCOME	FIRST-TIME BUYERS 1987	1985	1983	1981	1979	1977
Less than $15,000	2.4%	2.7%	8.4%	3.0%	9.9%	22.0%
$15,000-$19,999	5.6%	6.5%	11.9%	7.3%	18.4%	27.7%
$20,000-$24,999	9.5%	11.6%	16.4%	12.0%	21.3%	21.6%
$25,000-$34,999	23.1%	26.6%	27.3%	30.4%	30.3%	18.3%
$35,000-$44,999	21.5%	21.7%	17.1%	22.0%	11.4%	4.7%
$45,000-$54,999	15.6%	12.8%	8.8%	11.8%		
$55,000-$64,999	8.0%	7.0%	4.1%	4.9%	8.8%	5.7%
$65,000 or more	14.3%	11.0%	6.1%	8.6%		
Median income	$39,300	$35,964	$29,571	$34,083	$25,230	$20,000

TABLE C.5: **Second income as a percentage of total income for repurchasers and first-time home buyers**

SECOND INCOME AS A PERCENTAGE OF TOTAL HOUSEHOLD INCOME*	REPURCHASERS 1987	1985	1983	1981	1979	1977
Less than 10.0%	49.7%	47.1%	53.7%	54.1%	48.4%	59.7%
10.0%-19.9%	7.3%	8.3%	7.3%	5.1%	6.6%	6.1%
20.0%-29.9%	10.9%	11.0%	10.8%	9.9%	11.5%	9.9%
30.0%-39.9%	15.8%	15.6%	13.6%	14.4%	15.7%	12.0%
40.0%-50.0%	16.3%	17.9%	14.6%	16.5%	17.8%	12.2%

*Includes only households with two adults.

SECOND INCOME AS A PERCENTAGE OF TOTAL HOUSEHOLD INCOME*	FIRST-TIME BUYERS 1987	1985	1983	1981	1979	1977
Less than 10.0%	32.4%	31.3%	34.8%	42.0%	34.5%	40.5%
10.0%-19.9%	5.5%	5.9%	6.8%	5.0%	4.5%	4.2%
20.0%-29.9%	11.3%	11.4%	11.4%	9.2%	11.6%	9.9%
30.0%-39.9%	20.6%	21.3%	20.3%	17.7%	21.8%	20.7%
40.0%-50.0%	30.3%	30.0%	26.6%	26.1%	27.6%	24.6%

*Includes only households with two adults.

TABLE C.6: **Price of homes bought by repurchasers and first-time home buyers**

PRICE	REPURCHASERS 1987	1985	1983	1981	1979	1977
Less than $30,000	3.0%	4.7%	6.6%	6.7%	9.0%	13.3%
$30,000-$49,999	8.9%	12.1%	15.2%	15.7%	25.8%	40.0%
$50,000-$69,999	13.4%	19.3%	22.5%	22.9%	28.5%	27.1%
$70,000-$89,999	14.8%	18.5%	19.0%	19.4%	18.4%	11.7%
$90,000-$99,999	7.0%	6.2%	5.8%	6.3%		
$100,000-$119,999	10.3%	9.6%	9.0%	8.8%	18.3%	7.9%
$120,000-$139,999	10.0%	8.4%	7.6%	6.7%		
$140,000 or more	32.5%	21.2%	14.3%	13.5%		
Median price	$105,800	$84,500	$75,000	$75,000	$60,500	$48,472

PRICE	FIRST-TIME BUYERS 1987	1985	1983	1981	1979	1977
Less than $30,000	6.9%	8.8%	14.2%	7.8%	14.9%	28.1%
$30,000-$49,999	14.8%	21.9%	28.3%	24.6%	37.3%	50.4%
$50,000-$69,999	17.9%	26.4%	26.5%	34.3%	29.4%	15.0%
$70,000-$89,999	17.2%	18.0%	14.1%	18.0%	11.5%	5.2%
$90,000-$99,999	5.6%	4.9%	3.9%	4.1%		
$100,000-$119,999	10.8%	7.3%	5.6%	4.7%	7.0%	1.4%
$120,000-$139,999	9.6%	5.1%	3.3%	2.9%		
$140,000 or more	17.2%	7.6%	4.1%	3.6%		
Median price	$81,000	$64,950	$54,500	$58,900	$48,950	$37,000

TABLE C.7: **Age of homes bought by repurchasers and first-time home buyers**

AGE OF HOME	REPURCHASERS 1987	1985	1983	1981	1979	1977
30 years or more	20.1%	22.7%	21.3%	23.3%	19.6%	16.6%
25-29	4.6%	6.3%	5.1%	5.2%	6.1%	4.3%
20-24	3.0%	2.6%	5.5%	4.3%	6.7%	6.0%
15-19	6.2%	7.0%	6.7%	5.8%	7.2%	7.7%
10-14	10.6%	9.7%	9.5%	6.6%	6.9%	8.7%
5-9	15.0%	14.3%	14.3%	10.1%	8.8%	10.4%
1-4	13.2%	12.9%	16.4%	17.9%	12.4%	16.8%
New	27.3%	24.5%	21.3%	26.8%	32.3%	29.4%
Median age						
Existing homes	14	16	14	15	17	14
All homes	8	10	9	7	9	8

AGE OF HOME	FIRST-TIME BUYERS 1987	1985	1983	1981	1979	1977
30 years or more	32.3%	38.2%	38.5%	29.3%	27.9%	27.4%
25-29	5.9%	7.0%	7.6%	6.9%	7.6%	8.3%
20-24	3.3%	3.4%	6.1%	6.4%	8.1%	8.8%
15-19	6.5%	6.2%	5.2%	4.4%	8.3%	10.4%
10-14	9.8%	7.7%	7.0%	6.7%	6.6%	7.6%
5-9	10.7%	8.7%	8.6%	10.7%	6.8%	7.8%
1-4	10.5%	8.7%	10.9%	14.9%	11.1%	11.4%
New	21.1%	20.0%	16.0%	20.7%	23.6%	18.3%
Median age						
Existing homes	22	26	27	21	24	22
All homes	14	20	20	12	18	18

TABLE C.8: **Size of homes bought by repurchasers and first-time home buyers**

HOME SIZE (SQ. FT.)	1987 REPURCHASERS NEW	REPURCHASERS EXISTING	REPURCHASERS ALL	FIRST-TIME BUYERS NEW	FIRST-TIME BUYERS EXISTING	FIRST-TIME BUYERS ALL
750 or less	1.0%	2.3%	1.9%	0.8%	5.2%	4.3%
751-1,000	1.4%	7.8%	6.1%	5.8%	14.6%	12.8%
1,001-1,250	8.9%	14.0%	12.6%	20.7%	23.4%	22.8%
1,251-1,500	13.1%	16.4%	15.5%	18.9%	22.8%	22.0%
1,501-1,750	11.3%	15.2%	14.2%	18.8%	14.4%	15.3%
1,751-2,000	13.2%	12.4%	12.6%	15.4%	8.3%	9.7%
2,001-2,500	25.7%	17.4%	19.6%	13.8%	7.0%	8.4%
2,501-3,000	12.3%	8.2%	9.3%	3.8%	1.9%	2.3%
Greater than 3,000	13.1%	6.2%	8.1%	2.1%	2.3%	2.2%
Median size	2,028	1,659	1,733	1,529	1,336	1,369

HOME SIZE (SQ. FT.)	1985 REPURCHASERS NEW	REPURCHASERS EXISTING	REPURCHASERS ALL	FIRST-TIME BUYERS NEW	FIRST-TIME BUYERS EXISTING	FIRST-TIME BUYERS ALL
750 or less	1.5%	2.6%	2.3%	2.0%	4.9%	4.4%
751-1,000	4.4%	8.6%	7.6%	10.5%	16.4%	15.2%
1,001-1,250	14.4%	17.0%	16.4%	24.6%	27.1%	26.6%
1,251-1,500	18.3%	16.0%	16.6%	25.8%	20.5%	21.5%
1,501-1,750	13.3%	14.5%	14.2%	15.6%	12.7%	13.3%
1,751-2,000	14.1%	12.2%	12.6%	9.2%	7.9%	8.1%
2,001-2,500	18.1%	15.7%	16.3%	7.7%	6.7%	6.9%
2,501-3,000	8.8%	7.0%	7.5%	3.0%	1.8%	2.1%
Greater than 3,000	7.1%	6.4%	6.6%	1.6%	1.9%	1.9%
Median size	1,741	1,600	1,620	1,363	1,267	1,292

TABLE C.8A: **Size of homes bought by repurchasers and first-time home buyers**

HOME SIZE (SQ. FT.)	1983 REPURCHASERS NEW	REPURCHASERS EXISTING	REPURCHASERS ALL	FIRST-TIME BUYERS NEW	FIRST-TIME BUYERS EXISTING	FIRST-TIME BUYERS ALL
750 or less	2.6%	2.7%	2.7%	1.4%	4.3%	3.8%
751-1,000	7.4%	8.3%	8.1%	10.9%	16.4%	15.5%
1,001-1,250	12.9%	16.3%	15.6%	23.5%	25.8%	25.4%
1,251-1,500	15.4%	16.2%	16.1%	28.2%	22.0%	23.0%
1,501-1,750	13.2%	15.1%	14.7%	12.3%	13.2%	13.0%
1,751-2,000	10.9%	12.0%	11.7%	9.6%	7.4%	7.8%
2,001-2,500	18.0%	16.3%	16.6%	7.1%	6.2%	6.4%
2,501-3,000	9.6%	6.7%	7.3%	5.1%	1.9%	2.4%
Greater than 3,000	10.1%	6.5%	7.2%	1.9%	2.9%	2.7%
Median size	1,727	1,595	1,612	1,348	1,288	1,299

HOME SIZE (SQ. FT.)	1981 REPURCHASERS NEW	REPURCHASERS EXISTING	REPURCHASERS ALL	FIRST-TIME BUYERS NEW	FIRST-TIME BUYERS EXISTING	FIRST-TIME BUYERS ALL
750 or less	3.1%	7.4%	4.2%	3.6%	10.1%	7.0%
751-1,000	6.7%	13.7%	12.3%	13.2%	17.3%	17.3%
1,001-1,250	13.5%	19.3%	18.5%	21.8%	24.3%	24.8%
1,251-1,500	13.9%	16.4%	16.1%	23.2%	17.8%	19.0%
1,501-1,750	13.8%	12.8%	13.3%	17.6%	13.5%	14.3%
1,751-2,000	11.8%	8.6%	9.5%	7.8%	7.4%	7.4%
2,001-2,500	18.3%	12.3%	14.0%	9.8%	6.1%	6.7%
2,501-3,000	11.4%	4.7%	6.5%	2.2%	0.9%	1.2%
Greater than 3,000	7.5%	4.9%	5.6%	0.6%	2.6%	2.3%
Median size	1,746	1,415	1,485	1,359	1,248	1,264

Note: 1979 and 1977 data not available.

TABLE C.9: **Monthly housing expense for repurchasers and first-time home buyers**

MONTHLY HOUSING EXPENSE	REPURCHASERS					
	1987	1985	1983	1981	1979	1977
$300 or less	4.5%	4.4%	6.5%	5.4%	5.8%	13.2%
$301-$400	5.9%	6.5%	7.4%	6.3%		
$401-$500	8.7%	9.4%	10.0%	8.7%	50.7%	67.1%
$501-$600	8.6%	10.5%	11.5%	10.8%		
$601-$700	10.5%	10.6%	12.2%	11.1%		
$701-$900	17.5%	19.5%	18.4%	19.7%		
$901-$1,100	14.9%	12.3%	11.5%	13.4%	43.5%	19.7%
$1,101-$1,300	9.6%	8.7%	8.1%	8.6%		
Greater than $1,300	19.9%	18.2%	14.3%	15.9%		
Median expense	$860	$821	$772	$834	$563	$424

MONTHLY HOUSING EXPENSE	FIRST-TIME BUYERS					
	1987	1985	1983	1981	1979	1977
$300 or less	6.5%	5.4%	8.8%	4.5%	7.3%	26.2%
$301-$400	9.1%	9.4%	11.8%	6.9%		
$401-$500	11.3%	12.3%	15.3%	10.5%	62.2%	65.9%
$501-$600	12.4%	14.0%	15.7%	13.5%		
$601-$700	10.6%	14.0%	12.3%	14.4%		
$701-$900	20.1%	19.8%	16.1%	24.2%		
$901-$1,100	12.6%	10.4%	8.8%	11.7%	30.5%	7.9%
$1,101-$1,300	8.3%	6.0%	5.3%	7.3%		
Greater than $1,300	9.1%	8.7%	5.8%	6.9%		
Median expense	$748	$710	$633	$721	$501	$369

TABLE C.10: **Housing expense/income ratio for repurchasers and first-time home buyers**

HOUSING EXPENSE AS A PERCENTAGE OF HOUSEHOLD INCOME	REPURCHASERS					
	1987	1985	1983	1981	1979	1977
Less than 20%	48.0%	47.0%	42.2%	31.3%	29.1%	34.4%
20.1%-25.0%	22.7%	22.6%	21.0%	24.1%	25.0%	27.4%
25.1%-30.0%	17.4%	17.3%	17.8%	23.3%	24.0%	23.2%
30.1% or more	11.9%	13.1%	19.0%	21.3%	21.8%	15.0%
Median percentage	20.4%	20.6%	21.9%	23.9%	24.2%	

HOUSING EXPENSE AS A PERCENTAGE OF HOUSEHOLD INCOME	FIRST-TIME BUYERS					
	1987	1985	1983	1981	1979	1977
Less than 20%	39.2%	35.2%	29.6%	26.2%	26.3%	32.9%
20.1%-25.0%	27.5%	26.7%	23.3%	26.7%	28.6%	29.3%
25.1%-30.0%	18.3%	21.3%	22.2%	26.4%	26.0%	24.2%
30.1% or more	15.0%	16.8%	25.0%	20.7%	19.1%	13.6%
Median percentage	21.9%	22.9%	24.3%	24.5%	24.1%	

TABLE C.11: **Downpayment as a percentage of purchase price for repurchasers and first-time home buyers**

	REPURCHASERS					
DOWNPAYMENT	1987	1985	1983	1981	1979	1977
10.0% or less	13.6%	19.8%	18.0%	16.6%	14.4%	12.5%
10.1%-19.9%	29.4%	26.4%	26.7%	10.7%	24.3%	11.1%
20.0% or more	57.0%	53.7%	55.3%	72.7%	61.2%	76.4%
Median downpayment	$25,000	$19,800	$17,000	$18,000	$13,985	$11,000

	FIRST-TIME BUYERS					
DOWNPAYMENT	1987	1985	1983	1981	1979	1977
10.0% or less	28.6%	40.1%	38.6%	35.2%	29.2%	28.8%
10.1%-19.9%	34.6%	28.8%	29.3%	17.8%	32.8%	18.3%
20.0% or more	36.8%	31.2%	32.1%	47.0%	38.0%	52.8%
Median downpayment	$12,963	$8,700	$7,600	$8,600	$6,811	$5,500

THE CHANGING PROFILE OF *Home Buyers, by Region*

Appendix

D

HOME BUYERS, BY REGION: 1987

STATISTICAL PROFILE AT A GLANCE

	NORTHEAST	NORTH CENTRAL	SOUTH	WEST
WHO THEY WERE				
A Demographic Profile				
Median age	34.6 yrs.	35.1 yrs.	38.1 yrs.	38.4 yrs.
Unmarried	29.6%	24.3%	21.0%	30.3%
One- and two-person households	58.4%	48.2%	52.8%	56.3%
An Economic Profile				
Median household income	$50,292	$40,200	$43,992	$52,320
Importance of second income*	59.8%	58.5%	55.1%	47.8%
First-time Buyers	44.9%	37.0%	30.9%	33.2%
WHAT THEY PURCHASED...				
Condominiums	24.3%	6.8%	11.2%	15.7%
New homes	21.4%	20.5%	31.5%	23.0%
Homes 25 or more years old	41.4%	40.6%	16.4%	30.6%
Median size of home (sq.ft.)	1,384	1,525	1,712	1,544
...and Its Cost				
Median purchase price	$121,500	$73,971	$83,000	$128,970
Median downpayment	$ 28,000	$15,000	$15,400	$ 26,700
Median total monthly housing expense	$948	$671	$727	$ 1,031
Mortgage payment	$681	$461	$538	$783
Real estate taxes	$137	$ 90	$ 63	$118
Utilities	$100	$100	$100	$100
Hazard insurance	$ 30	$ 20	$ 26	$ 30
HOW THEY AFFORDED THEIR PURCHASE				
Less than 20% downpayment	38.1%	49.2%	52.9%	54.9%
Housing expense exceeding:				
25% of household income	32.1%	22.8%	23.2%	44.9%
30% of household income	12.7%	8.8%	8.7%	21.8%

*Percentage of households with two adults in which income contributed by a second earner accounted for 10% or more of total household income.

HOME BUYERS, BY REGION: 1985

STATISTICAL PROFILE AT A GLANCE

	NORTHEAST	NORTH CENTRAL	SOUTH	WEST
WHO THEY WERE				
A Demographic Profile				
Median age	34.2 yrs.	34.3 yrs.	35.8 yrs.	36.7 yrs.
Unmarried	25.2%	24.3%	23.4%	28.7%
One- and two-person households	53.0%	48.5%	52.1%	58.3%
An Economic Profile				
Median household income	$43,260	$36,912	$42,012	$49,560
Importance of second income*	62.4%	55.1%	45.0%	58.6%
First-time Buyers	48.2%	41.5%	33.1%	37.1%
WHAT THEY PURCHASED...				
Condominiums	10.7%	7.9%	14.2%	19.9%
New homes	18.1%	12.9%	28.3%	28.3%
Homes 25 or more years old	48.6%	44.0%	24.4%	29.8%
Median size of home (sq.ft.)	1,428	1,377	1,513	1,498
...and Its Cost				
Median purchase price	$79,900	$60,000	$69,900	$108,000
Median downpayment	$18,900	$11,000	$11,000	$20,500
Median total monthly housing expense	$838	$666	$719	$1,020
Mortgage payment	$585	$470	$544	$805
Real estate taxes	$108	$ 77	$ 50	$ 90
Utilities	$120	$100	$100	$100
Hazard insurance	$ 25	$ 19	$ 25	$ 25
HOW THEY AFFORDED THEIR PURCHASE				
Less than 20% downpayment	43.8%	55.3%	62.0%	57.9%
Housing expense exceeding:				
25% of household income	34.5%	27.0%	27.3%	48.4%
30% of household income	13.2%	9.7%	10.3%	27.2%

*Percentage of households with two adults in which income contributed by a second earner accounted for 10% or more of total household income.

HOME BUYERS, BY REGION: 1983

STATISTICAL PROFILE AT A GLANCE

	NORTHEAST	NORTH CENTRAL	SOUTH	WEST
WHO THEY WERE				
A Demographic Profile				
Median age	32.6 yrs.	32.9 yrs.	35.4 yrs.	37.1 yrs.
Unmarried	24.3%	24.3%	25.5%	29.5%
One- and two-person households	49.7%	46.9%	50.7%	60.3%
An Economic Profile				
Median household income	$36,186	$31,601	$36,657	$44,377
Importance of second income*	56.2%	54.4%	47.5%	50.3%
First-time Buyers	51.2%	40.5%	36.3%	37.0%
WHAT THEY PURCHASED...				
Condominiums	7.9%	5.7%	12.0%	20.9%
New homes	19.0%	9.8%	31.2%	16.9%
Homes 25 or more years old	45.0%	44.2%	23.7%	27.5%
Median size of home (sq.ft.)	1,476	1,371	1,518	1,478
...and Its Cost				
Median purchase price	$65,002	$54,900	$63,000	$97,000
Median downpayment	$15,000	$10,400	$10,000	$20,000
Median total monthly housing expense	$724	$616	$696	$973
Mortgage payment	$496	$434	$525	$775
Real estate taxes	$ 98	$ 65	$ 50	$ 76
Utilities	$110	$100	$100	$100
Hazard insurance	$ 20	$ 17	$ 21	$ 22
HOW THEY AFFORDED THEIR PURCHASE				
Less than 20% downpayment	44.2%	54.4%	59.7%	51.7%
Housing expense exceeding:				
25% of household income	40.5%	34.3%	36.8%	56.4%
30% of household income	18.4%	16.0%	17.8%	35.8%

*Percentage of households with two adults in which income contributed by a second earner accounted for 10% or more of total household income.

HOME BUYERS, BY REGION: 1981

STATISTICAL PROFILE AT A GLANCE

	NORTHEAST	NORTH CENTRAL	SOUTH	WEST
WHO THEY WERE				
A Demographic Profile				
Median age	32.3 yrs.	31.1 yrs.	34.6 yrs.	35.1 yrs.
Unmarried	27.7%	29.4%	27.1%	33.5%
One- and two-person households	55.7%	55.8%	54.8%	61.2%
An Economic Profile				
Median household income	$37,146	$34,284	$40,662	$48,005
Importance of second income*	53.0%	54.4%	48.3%	53.4%
First-time Buyers	13.9%	13.8%	13.5%	13.4%
WHAT THEY PURCHASED...				
Condominiums	14.6%	17.6%	19.2%	31.6%
New homes	12.0%	14.3%	35.8%	34.7%
Homes 25 or more years old	45.4%	35.2%	23.6%	22.2%
Median size of home (sq.ft.)	1,496	1,326	1,582	1,471
...and Its Cost				
Median purchase price	$66,898	$60,000	$72,500	$94,985
Median downpayment	$18,089	$13,000	$15,000	$21,919
Median total monthly housing expense	$783	$689	$837	$1,011
Mortgage payment	$566	$518	$648	$841
Real estate taxes	$ 97	$ 67	$ 65	$ 75
Utilities	$100	$ 86	$100	$ 75
Hazard insurance	$ 20	$ 18	$ 24	$ 20
HOW THEY AFFORDED THEIR PURCHASE				
Less than 20% downpayment	20.9%	31.7%	34.2%	30.3%
Housing expense exceeding:				
25% of household income	44.8%	38.4%	42.1%	55.8%
30% of household income	17.3%	16.6%	18.7%	31.3%

*Percentage of households with two adults in which income contributed by a second earner accounted for 10% or more of total household income.

TABLE D.1: Age of borrowers, by region

AGE	NORTHEAST 1987	1985	1983	1981	1979	NORTH CENTRAL 1987	1985	1983	1981	1979
24 years or less	4.4%	7.1%	8.6%	8.4%	10.4%	5.6%	7.6%	9.9%	12.1%	14.0%
25-29	24.8%	23.4%	24.7%	27.0%	25.7%	19.3%	23.2%	23.9%	25.7%	27.1%
30-34	21.3%	23.4%	23.6%	22.7%	22.7%	22.6%	22.5%	23.3%	22.1%	21.6%
35-39	16.9%	17.0%	15.6%	14.7%	14.5%	18.9%	17.2%	16.0%	14.0%	13.8%
40-49	19.6%	18.0%	17.0%	17.2%	15.9%	20.3%	16.4%	15.9%	13.8%	13.5%
50-59	8.7%	8.2%	8.2%	7.4%	8.4%	8.5%	9.2%	7.8%	9.3%	8.0%
60 or more	4.2%	2.9%	2.3%	2.6%	2.4%	4.9%	4.0%	3.3%	3.0%	1.9%
Median age	34.6	34.2	32.6	32.2	32.3	35.1	34.3	32.9	31.9	31.1

AGE	SOUTH 1987	1985	1983	1981	1979	WEST 1987	1985	1983	1981	1979
24 years or less	4.6%	6.4%	7.3%	8.7%	9.0%	2.4%	4.8%	6.1%	8.6%	7.1%
25-29	13.9%	17.7%	17.7%	19.3%	21.0%	14.3%	16.9%	15.8%	19.1%	19.1%
30-34	19.3%	19.9%	20.7%	23.4%	21.1%	19.4%	18.8%	20.0%	19.8%	21.4%
35-39	17.6%	16.3%	16.6%	15.9%	13.9%	17.5%	17.6%	15.2%	14.9%	16.1%
40-49	22.4%	21.3%	19.2%	18.0%	17.0%	26.8%	22.1%	19.1%	18.9%	19.7%
50-59	12.9%	11.4%	12.1%	10.9%	12.7%	11.6%	11.9%	13.3%	12.7%	10.8%
60 or more	9.2%	7.0%	6.3%	3.8%	5.4%	8.1%	7.7%	10.5%	6.0%	5.7%
Median age	38.1	35.8	35.4	34.1	34.5	38.4	36.7	37.1	35.3	35.1

TABLE D.2: Marital status of home buyers, by region

MARITAL STATUS	NORTHEAST 1987	1985	1983	1981	1979	NORTH CENTRAL 1987	1985	1983	1981	1979
Married	70.5%	74.8%	75.7%	72.4%	75.5%	75.7%	75.6%	75.7%	70.5%	76.3%
Unmarried	20.1%	15.3%	14.6%	24.1%	16.9%	19.1%	18.4%	16.8%	23.5%	16.6%
Unmarried couples	9.5%	9.9%	9.7%	3.5%	7.6%	5.2%	5.9%	7.5%	6.0%	7.1%

MARITAL STATUS	SOUTH 1987	1985	1983	1981	1979	WEST 1987	1985	1983	1981	1979
Married	79.0%	76.6%	74.5%	73.0%	83.1%	69.7%	71.3%	70.5%	66.6%	74.5%
Unmarried	16.8%	18.5%	18.9%	22.1%	14.1%	22.6%	19.6%	21.1%	27.8%	19.1%
Unmarried couples	4.2%	4.9%	6.6%	4.9%	2.9%	7.7%	9.1%	8.4%	5.6%	6.4%

TABLE D.3: Household size of home buyers, by region

NUMBER IN HOUSEHOLD	NORTHEAST 1987	1985	1983	1981	1979	NORTH CENTRAL 1987	1985	1983	1981	1979
One	19.5%	13.0%	11.4%	24.0%	21.5%	15.9%	14.0%	12.1%	23.4%	19.4%
Two	38.9%	40.0%	38.3%	31.7%	33.2%	32.3%	34.5%	34.8%	33.5%	30.7%
Three	16.7%	17.7%	18.2%	16.1%	16.1%	17.6%	18.7%	19.2%	16.7%	18.9%
Four	17.7%	20.0%	19.1%	16.6%	18.5%	22.8%	21.3%	21.8%	17.7%	19.0%
Five or more	7.3%	9.3%	13.0%	11.6%	10.7%	11.4%	11.4%	12.1%	8.7%	12.0%

NUMBER IN HOUSEHOLD	SOUTH 1987	1985	1983	1981	1979	WEST 1987	1985	1983	1981	1979
One	14.8%	14.9%	14.0%	21.9%	13.4%	20.2%	15.4%	17.4%	27.6%	22.6%
Two	38.0%	37.2%	36.7%	32.9%	36.7%	36.1%	42.9%	42.9%	33.9%	31.5%
Three	16.2%	20.1%	18.6%	16.9%	19.8%	16.3%	14.4%	14.8%	15.7%	17.6%
Four	21.5%	18.9%	19.8%	18.2%	20.9%	18.7%	18.8%	16.1%	15.3%	17.6%
Five or more	9.5%	8.9%	10.9%	10.1%	9.2%	8.7%	8.5%	8.8%	7.5%	10.6%

TABLE D.4: Income of home buyers, by region

ANNUAL HOUSEHOLD INCOME	NORTHEAST 1987	1985	1983	1981	1979	NORTH CENTRAL 1987	1985	1983	1981	1979
Less than $15,000	0.8%	1.1%	4.4%	2.5%	5.8%	1.8%	2.7%	7.0%	3.2%	7.0%
$15,000-$19,999	2.1%	3.9%	7.5%	5.5%	15.4%	4.6%	5.3%	9.7%	7.2%	16.3%
$20,000-$24,999	4.7%	7.2%	10.5%	9.4%	20.1%	8.6%	10.1%	14.4%	11.8%	20.8%
$25,000-$34,999	14.3%	19.2%	24.6%	28.2%	30.8%	22.6%	27.2%	28.1%	30.5%	33.4%
$35,000-$44,999	18.2%	21.6%	20.8%	22.0%	13.6%	22.7%	21.9%	18.5%	22.2%	14.0%
$45,000-$54,999	16.6%	16.0%	12.4%	13.2%		15.5%	13.4%	10.9%	11.5%	
$55,000-$64,999	10.6%	9.9%	6.2%	6.2%	14.2%	9.3%	7.1%	4.6%	4.9%	8.4%
$65,000 or more	32.7%	21.0%	13.6%	13.1%		14.9%	12.1%	6.8%	8.8%	
Median income	$50292	$43260	$36186	$37146	$27597	$40200	$36912	$31601	$34284	$26499

ANNUAL HOUSEHOLD INCOME	SOUTH 1987	1985	1983	1981	1979	WEST 1987	1985	1983	1981	1979
Less than $15,000	2.4%	2.6%	6.9%	3.9%	10.8%	1.9%	1.1%	4.1%	1.7%	5.1%
$15,000-$19,999	4.3%	4.9%	7.3%	4.4%	16.1%	2.5%	2.4%	5.0%	3.4%	9.1%
$20,000-$24,999	7.3%	8.2%	10.6%	8.3%	18.4%	4.5%	5.0%	7.9%	5.6%	13.5%
$25,000-$34,999	17.8%	20.2%	21.1%	21.4%	27.0%	12.0%	17.2%	15.8%	17.0%	29.4%
$35,000-$44,999	20.0%	18.6%	18.8%	20.1%	12.9%	17.3%	17.3%	17.9%	17.6%	17.3%
$45,000-$54,999	15.5%	14.1%	11.8%	14.3%		16.8%	15.3%	14.4%	15.2%	
$55,000-$64,999	9.2%	8.5%	7.0%	8.4%	14.9%	13.1%	11.4%	9.8%	11.0%	25.6%
$65,000 or more	23.6%	22.9%	16.4%	19.2%		31.9%	30.3%	25.0%	28.4%	
Median income	$43992	$42012	$36657	$40662	$26874	$52320	$49560	$44377	$48005	$32106

TABLE D.5: **Second income as a percentage of total income for home buyers, by region**

SECOND INCOME AS PERCENTAGE OF TOTAL HOUSEHOLD INCOME*	NORTHEAST					NORTH CENTRAL				
	1987	1985	1983	1981	1979	1987	1985	1983	1981	1979
Less than 10.0%	40.2%	37.6%	43.8%	47.0%	39.8%	41.5%	44.9%	45.3%	45.6%	46.0%
10.0%-19.9%	6.3%	7.5%	8.0%	5.4%	8.0%	8.4%	7.7%	6.7%	5.7%	5.8%
20.0%-29.9%	9.6%	11.1%	10.6%	10.7%	10.1%	10.7%	9.9%	11.0%	11.3%	11.9%
30.0%-39.9%	18.4%	18.9%	17.5%	16.8%	18.0%	17.2%	16.2%	17.1%	17.9%	17.4%
40.0%-50.0%	25.5%	24.9%	20.0%	20.1%	24.0%	22.2%	21.3%	19.8%	19.5%	19.0%

SECOND INCOME AS PERCENTAGE OF TOTAL HOUSEHOLD INCOME*	SOUTH					WEST				
	1987	1985	1983	1981	1979	1987	1985	1983	1981	1979
Less than 10.0%	44.9%	55.0%	46.5%	51.7%	51.3%	52.2%	41.4%	49.7%	46.6%	45.0%
10.0%-19.9%	6.0%	5.7%	7.2%	5.9%	5.0%	6.2%	7.1%	7.5%	6.2%	6.9%
20.0%-29.9%	12.0%	8.9%	11.2%	10.7%	11.3%	9.9%	11.9%	11.5%	12.5%	12.0%
30.0%-39.9%	17.4%	14.0%	14.9%	15.3%	15.2%	15.3%	17.3%	14.9%	16.4%	16.8%
40.0%-50.0%	19.6%	16.4%	20.2%	16.4%	17.3%	16.4%	22.3%	16.5%	18.4%	19.4%

*Includes only households with two adults.

TABLE D.6: **Price of homes purchased, by region**

PRICE	NORTHEAST					NORTH CENTRAL				
	1987	1985	1983	1981	1979	1987	1985	1983	1981	1979
Less than $30,000	2.7%	6.1%	9.8%	8.9%	11.6%	8.1%	10.0%	14.5%	9.4%	9.9%
$30,000-$49,999	6.7%	13.3%	21.0%	19.1%	31.5%	16.3%	24.9%	28.1%	23.4%	31.2%
$50,000-$69,999	10.1%	20.6%	24.3%	25.6%	29.5%	21.7%	27.8%	26.6%	30.6%	31.6%
$70,000-$89,999	12.0%	19.7%	20.3%	22.9%	13.9%	20.9%	17.8%	16.3%	17.9%	17.2%
$90,000-$99,999	6.1%	5.8%	5.3%	5.4%		6.0%	4.5%	3.8%	4.8%	
$100,000-$119,999	11.3%	8.5%	7.0%	7.2%	13.5%	8.6%	5.5%	4.7%	5.4%	10.1%
$120,000-$139,999	9.1%	7.5%	4.0%	3.6%		7.1%	3.6%	2.9%	3.8%	
$140,000 or more	41.9%	18.5%	8.5%	7.3%		11.3%	5.8%	3.1%	4.7%	
Median price	$121500	$79900	$65002	$66898	$53900	$73971	$60000	$54900	$60000	$55000

PRICE	SOUTH					WEST				
	1987	1985	1983	1981	1979	1987	1985	1983	1981	1979
Less than $30,000	5.0%	6.9%	10.6%	7.8%	15.4%	1.6%	1.5%	1.6%	2.1%	3.4%
$30,000-$49,999	14.5%	17.9%	21.1%	16.8%	32.8%	5.1%	6.2%	8.2%	8.5%	16.1%
$50,000-$69,999	18.0%	25.5%	26.0%	23.4%	27.0%	8.0%	13.8%	19.1%	18.3%	26.7%
$70,000-$89,999	18.6%	19.7%	16.5%	19.9%	13.8%	10.0%	16.0%	16.1%	18.3%	22.8%
$90,000-$99,999	7.2%	5.5%	5.1%	5.7%		6.2%	6.9%	6.5%	7.8%	
$100,000-$119,999	9.8%	7.4%	6.8%	8.8%	10.9%	11.8%	15.3%	13.1%	11.4%	30.9%
$120,000-$139,999	8.8%	5.3%	5.1%	6.4%		13.9%	12.2%	12.1%	9.8%	
$140,000 or more	18.2%	11.9%	8.8%	11.2%		43.4%	28.1%	23.2%	23.9%	
Median price	$83000	$69900	$63000	$72500	$52000	$128970	$108000	$97000	$94985	$73000

TABLE D.7: **Age of homes purchased, by region**

AGE OF HOME	NORTHEAST 1987	1985	1983	1981	1979	NORTH CENTRAL 1987	1985	1983	1981	1979
30 years or more	36.2%	41.6%	37.4%	37.6%	31.6%	33.6%	34.7%	37.0%	28.9%	26.4%
25-29	5.2%	7.0%	7.6%	7.8%	5.0%	7.0%	9.3%	7.2%	6.3%	7.1%
20-24	2.4%	2.8%	7.1%	5.3%	6.6%	3.7%	4.2%	6.8%	6.4%	8.6%
15-19	5.0%	7.4%	5.1%	7.5%	7.9%	7.5%	8.0%	6.8%	7.3%	7.7%
10-14	8.5%	8.0%	7.4%	5.1%	6.5%	10.2%	9.6%	9.4%	9.0%	7.2%
5-9	5.6%	7.8%	8.4%	8.2%	6.9%	11.0%	13.9%	13.1%	13.0%	8.9%
1-4	15.7%	7.1%	8.1%	16.5%	9.5%	6.5%	7.4%	9.9%	14.8%	13.3%
New	21.4%	18.1%	19.0%	12.0%	26.0%	20.5%	12.9%	9.8%	14.3%	20.8%
Median age										
Existing homes	24	28	27	23	23	23	23	23	18	20
All homes	15	21	20	20	17	17	20	20	14	15

AGE OF HOME	SOUTH 1987	1985	1983	1981	1979	WEST 1987	1985	1983	1981	1979
30 years or more	12.7%	19.1%	18.9%	19.3%	11.9%	25.2%	24.6%	22.4%	17.8%	17.9%
25-29	3.7%	5.3%	4.8%	4.3%	5.1%	5.4%	5.2%	5.1%	4.4%	7.8%
20-24	2.5%	2.0%	4.6%	4.1%	4.5%	3.3%	3.1%	5.1%	2.9%	7.8%
15-19	6.2%	6.8%	5.7%	4.2%	5.8%	6.2%	4.7%	5.9%	4.3%	8.4%
10-14	10.7%	10.0%	7.7%	6.6%	7.4%	11.2%	7.9%	8.7%	4.8%	6.0%
5-9	15.8%	13.1%	11.5%	10.1%	8.0%	16.3%	13.1%	13.5%	7.8%	9.4%
1-4	17.0%	15.3%	15.6%	15.5%	11.2%	9.4%	13.1%	22.5%	23.3%	13.9%
New	31.5%	28.3%	31.2%	35.8%	46.0%	23.0%	28.3%	16.9%	34.7%	28.8%
Median age										
Existing homes	10	14	14	13	13	16	17	12	10	19
All homes	6	7	5	4	3	10	8	8	3	9

TABLE D.8: **Size of homes purchased, by region: 1987**

HOME SIZE (SQ.FT.)	NORTHEAST NEW HOMES	NORTHEAST EXISTING HOMES	NORTHEAST ALL HOMES	NORTH CENTRAL NEW HOMES	NORTH CENTRAL EXISTING HOMES	NORTH CENTRAL ALL HOMES
750 or less	2.7%	9.1%	7.8%	0.8%	2.3%	2.0%
751-1,000	8.5%	13.8%	12.7%	1.2%	10.7%	8.8%
1,001-1,250	19.4%	20.4%	20.2%	10.1%	21.8%	19.5%
1,251-1,500	15.0%	16.8%	16.4%	15.4%	18.0%	17.5%
1,501-1,750	14.7%	12.1%	12.7%	15.1%	14.9%	15.0%
1,751-2,000	11.5%	10.1%	10.4%	18.8%	11.3%	12.8%
2,001-2,500	15.5%	10.2%	11.3%	24.2%	12.4%	14.7%
2,501-3,000	5.7%	4.0%	4.3%	8.5%	4.7%	5.5%
Greater than 3,000	7.1%	3.5%	4.2%	5.8%	3.9%	4.2%
Median size	1,600	1,360	1,384	1,829	1,467	1,525

HOME SIZE (SQ.FT.)	SOUTH NEW HOMES	SOUTH EXISTING HOMES	SOUTH ALL HOMES	WEST NEW HOMES	WEST EXISTING HOMES	WEST ALL HOMES
750 or less	0.3%	2.1%	1.6%	1.0%	2.4%	2.1%
751-1,000	2.3%	6.2%	5.0%	1.4%	11.6%	9.2%
1,001-1,250	10.1%	14.6%	13.3%	13.6%	16.0%	15.5%
1,251-1,500	14.7%	17.4%	16.6%	15.2%	22.1%	20.6%
1,501-1,750	12.2%	15.3%	14.3%	15.4%	14.9%	15.0%
1,751-2,000	15.4%	13.2%	13.9%	9.2%	9.1%	9.1%
2,001-2,500	21.7%	16.7%	18.2%	25.5%	13.2%	16.0%
2,501-3,000	10.9%	8.3%	9.1%	10.5%	5.6%	6.7%
Greater than 3,000	12.5%	6.3%	8.1%	8.2%	5.0%	5.7%
Median size	1,924	1,658	1,712	1,825	1,490	1,544

TABLE D.8A: **Size of homes purchased, by region: 1985**

HOME SIZE (SQ.FT.)	NORTHEAST NEW HOMES	NORTHEAST EXISTING HOMES	NORTHEAST ALL HOMES	NORTH CENTRAL NEW HOMES	NORTH CENTRAL EXISTING HOMES	NORTH CENTRAL ALL HOMES
750 or less	1.6%	5.0%	4.4%	1.2%	3.4%	3.1%
751-1,000	8.8%	10.4%	10.1%	5.6%	15.3%	14.1%
1,001-1,250	25.0%	22.8%	23.2%	19.4%	24.2%	23.6%
1,251-1,500	14.2%	18.5%	17.8%	17.2%	17.7%	17.6%
1,501-1,750	14.2%	13.1%	13.3%	14.6%	13.5%	13.7%
1,751-2,000	13.0%	9.7%	10.2%	12.1%	9.9%	10.1%
2,001-2,500	15.2%	11.3%	12.0%	17.5%	10.4%	11.3%
2,501-3,000	4.3%	4.1%	4.2%	8.6%	3.5%	4.1%
Greater than 3,000	3.8%	5.1%	4.8%	3.9%	2.1%	2.3%
Median size	1,506	1,412	1,428	1,608	1,344	1,377

HOME SIZE (SQ.FT.)	SOUTH NEW HOMES	SOUTH EXISTING HOMES	SOUTH ALL HOMES	WEST NEW HOMES	WEST EXISTING HOMES	WEST ALL HOMES
750 or less	2.4%	2.6%	2.6%	0.4%	3.4%	2.6%
751-1,000	5.3%	10.3%	8.9%	7.4%	11.8%	10.6%
1,001-1,250	17.2%	18.4%	18.1%	15.0%	19.9%	18.5%
1,251-1,500	24.2%	18.1%	19.8%	21.0%	17.4%	18.4%
1,501-1,750	14.6%	13.7%	14.0%	15.0%	15.4%	15.3%
1,751-2,000	11.2%	10.8%	10.9%	13.9%	10.1%	11.1%
2,001-2,500	12.4%	13.3%	13.0%	14.7%	12.5%	13.1%
2,501-3,000	6.1%	5.9%	6.0%	7.9%	5.8%	6.4%
Greater than 3,000	6.6%	6.8%	6.8%	4.6%	3.7%	3.9%
Median size	1,515	1,513	1,513	1,600	1,468	1,498

TABLE D.8B: **Size of homes purchased, by region: 1983**

HOME SIZE (SQ.FT.)	NORTHEAST NEW HOMES	NORTHEAST EXISTING HOMES	NORTHEAST ALL HOMES	NORTH CENTRAL NEW HOMES	NORTH CENTRAL EXISTING HOMES	NORTH CENTRAL ALL HOMES
750 or less	0.4%	3.8%	3.2%	1.7%	2.9%	2.8%
751-1,000	7.1%	8.1%	7.9%	7.7%	14.3%	13.6%
1,001-1,250	19.3%	20.2%	20.0%	20.6%	23.9%	23.5%
1,251-1,500	18.8%	21.3%	20.8%	17.7%	19.1%	18.9%
1,501-1,750	13.1%	14.9%	14.6%	12.7%	13.6%	13.5%
1,751-2,000	11.3%	10.3%	10.5%	8.6%	9.5%	9.4%
2,001-2,500	17.9%	11.5%	12.7%	20.4%	10.8%	11.8%
2,501-3,000	5.9%	5.5%	5.5%	7.9%	3.4%	3.9%
Greater than 3,000	6.3%	4.4%	4.8%	2.8%	2.4%	2.5%
Median size	1,564	1,450	1,476	1,560	1,352	1,371

HOME SIZE (SQ.FT.)	SOUTH NEW HOMES	SOUTH EXISTING HOMES	SOUTH ALL HOMES	WEST NEW HOMES	WEST EXISTING HOMES	WEST ALL HOMES
750 or less	2.7%	3.5%	3.2%	2.9%	3.7%	3.6%
751-1,000	5.8%	10.7%	9.2%	19.4%	11.0%	12.4%
1,001-1,250	16.8%	17.6%	17.3%	11.3%	17.9%	16.7%
1,251-1,500	22.6%	17.5%	19.0%	15.7%	18.7%	18.2%
1,501-1,750	12.3%	14.9%	14.1%	14.7%	14.4%	14.4%
1,751-2,000	11.2%	10.5%	10.7%	8.5%	9.9%	9.6%
2,001-2,500	12.8%	13.8%	13.5%	9.8%	11.6%	11.3%
2,501-3,000	7.4%	6.0%	6.4%	10.4%	4.4%	5.4%
Greater than 3,000	8.5%	5.6%	6.5%	7.3%	8.5%	8.3%
Median size	1,525	1,513	1,518	1,512	1,476	1,478

TABLE D.9: **Monthly housing expense for home buyers, by region**

MONTHLY HOUSING EXPENSE	NORTHEAST 1987	1985	1983	1981	1979	NORTH CENTRAL 1987	1985	1983	1981	1979
$300 or less	3.7%	4.1%	5.4%	6.5%	6.1%	7.8%	8.0%	11.7%	5.9%	5.6%
$301-$400	4.0%	7.5%	9.0%	7.1%		9.7%	11.1%	12.4%	10.1%	
$401-$500	6.2%	8.3%	12.0%	8.1%	59.8%	13.9%	14.3%	15.6%	13.5%	61.4%
$501-$600	7.0%	9.4%	13.7%	12.1%		14.9%	15.3%	16.7%	15.8%	
$601-$700	10.9%	12.8%	11.4%	13.0%		13.4%	13.4%	12.9%	14.2%	
$701-$900	19.4%	21.6%	21.7%	22.7%		18.0%	18.7%	16.8%	20.8%	
$901-$1,100	18.0%	12.3%	12.8%	15.5%	34.1%	10.8%	9.0%	6.8%	9.7%	33.0%
$1,101-$1,300	10.3%	8.2%	5.3%	7.3%		4.8%	4.4%	3.4%	4.3%	
Greater than $1,300	20.6%	15.8%	8.7%	7.8%		6.7%	5.9%	3.8%	5.7%	
Median expense	$948	$838	$724	$783	$521	$671	$666	$616	$689	$520

MONTHLY HOUSING EXPENSE	SOUTH 1987	1985	1983	1981	1979	WEST 1987	1985	1983	1981	1979
$300 or less	6.9%	5.1%	7.8%	6.2%	9.9%	1.8%	1.3%	1.8%	3.0%	2.5%
$301-$400	10.2%	8.6%	10.1%	6.3%		3.3%	3.1%	3.3%	2.1%	
$401-$500	11.8%	13.2%	13.0%	8.9%	56.6%	5.1%	5.2%	6.4%	4.7%	33.8%
$501-$600	11.0%	14.5%	13.4%	10.1%		6.2%	6.6%	8.3%	7.3%	
$601-$700	11.4%	12.3%	12.4%	10.7%		7.9%	8.7%	12.1%	9.3%	
$701-$900	18.5%	20.0%	17.7%	20.6%		17.7%	19.3%	15.7%	18.1%	
$901-$1,100	11.5%	10.0%	9.8%	13.4%	33.4%	16.8%	15.4%	14.5%	14.9%	63.6%
$1,101-$1,300	7.5%	5.8%	6.5%	9.4%		14.4%	12.9%	13.2%	12.2%	
Greater than $1,300	11.3%	10.4%	9.2%	14.3%		26.9%	27.6%	24.8%	28.4%	
Median expense	$727	$719	$696	$837	$506	$1031	$1020	$973	$1011	$676

TABLE D.10: **Housing expense/income ratio for home buyers, by region**

HOUSING EXPENSE AS A PERCENTAGE OF HOUSEHOLD INCOME	NORTHEAST					NORTH CENTRAL				
	1987	1985	1983	1981	1979	1987	1985	1983	1981	1979
20.0% or less	42.1%	40.2%	36.7%	30.3%	30.2%	51.8%	48.8%	40.9%	33.3%	27.4%
20.1%-25.0%	25.9%	25.2%	22.9%	24.9%	27.9%	25.4%	24.2%	24.9%	28.3%	28.1%
25.1%-30.0%	19.4%	21.3%	22.1%	27.4%	26.0%	14.0%	17.3%	18.3%	21.8%	26.0%
30.1% or more	12.7%	13.2%	18.4%	17.3%	15.9%	8.8%	9.7%	16.0%	16.6%	18.4%
Median percentage	21.7%	21.9%	23.0%	23.9%	23.5%	19.6%	20.3%	21.7%	22.9%	24.0%

HOUSING EXPENSE AS A PERCENTAGE OF HOUSEHOLD INCOME	SOUTH					WEST				
	1987	1985	1983	1981	1979	1987	1985	1983	1981	1979
20.0% or less	52.5%	48.6%	40.6%	33.1%	33.0%	32.2%	29.3%	26.8%	25.0%	24.8%
20.1%-25.0%	24.3%	24.1%	22.6%	24.8%	25.9%	22.9%	22.3%	16.8%	19.2%	21.0%
25.1%-30.0%	14.5%	17.0%	19.0%	23.4%	22.4%	23.1%	21.2%	20.6%	24.5%	23.9%
30.1% or more	8.7%	10.3%	17.8%	18.7%	18.7%	21.8%	27.2%	35.8%	31.3%	30.3%
Median percentage	19.6%	20.2%	22.0%	23.4%	23.3%	23.8%	24.6%	26.6%	25.2%	25.1%

TABLE D.11: **Downpayment as a percentage of purchase price for home buyers, by region**

DOWNPAYMENT	NORTHEAST					NORTH CENTRAL				
	1987	1985	1983	1981	1979	1987	1985	1983	1981	1979
10.0% or less	13.3%	18.8%	21.0%	11.4%	16.6%	15.6%	27.0%	24.4%	18.5%	16.7%
10.1%-19.9%	24.8%	25.0%	23.2%	9.5%	21.4%	33.6%	28.3%	30.0%	13.2%	25.4%
20.0% or more	61.8%	56.2%	55.8%	79.1%	62.0%	50.8%	44.7%	45.6%	68.3%	57.8%

DOWNPAYMENT	SOUTH					WEST				
	1987	1985	1983	1981	1979	1987	1985	1983	1981	1979
10.0% or less	24.8%	34.9%	34.4%	22.7%	20.6%	17.6%	28.2%	22.0%	19.1%	13.9%
10.1%-19.9%	28.1%	27.1%	25.3%	11.5%	22.7%	37.3%	29.7%	29.7%	11.2%	32.7%
20.0% or more	47.1%	38.0%	40.3%	65.8%	56.7%	45.1%	42.1%	48.3%	69.7%	53.5%

THE CHANGING PROFILE OF *Home Buyers, by Metropolitan Size*

Appendix

E

HOME BUYERS, BY METROPOLITAN SIZE: 1987

STATISTICAL PROFILE AT A GLANCE

	LARGE MSAs*	MEDIUM MSAs	SMALL MSAs	NON-MSAs
WHO THEY WERE				
A Demographic Profile				
Median age	36.8 yrs.	37.3 yrs.	36.2 yrs.	37.2 yrs.
Unmarried	31.1%	23.7%	22.6%	18.3%
One- and two-person households	57.6%	52.6%	46.1%	50.1%
An Economic Profile				
Median income	$52,800	$44,664	$40,200	$37,440
Importance of second income**	53.4%	55.7%	54.6%	54.5%
First-time Buyers	39.3%	32.2%	30.9%	33.3%
WHAT THEY PURCHASED...				
Condominiums	19.2%	11.4%	7.6%	5.5%
New homes	19.0%	34.1%	23.8%	20.7%
Homes 25 or more years old	36.5%	22.8%	28.2%	29.0%
Median size of home (sq.ft.)	1,501	1,682	1,574	1,512
...and Its Cost				
Median purchase price	$128,000	$88,000	$75,500	$60,700
Median downpayment	$ 27,000	$18,050	$15,000	$11,250
Median total monthly housing expense	$1,017	$771	$684	$584
Mortgage payment	$ 759	$563	$482	$414
Real estate taxes	$ 128	$ 83	$ 77	$ 46
Utilities	$ 100	$100	$100	$100
Hazard insurance	$ 30	$ 25	$ 25	$ 24
HOW THEY AFFORDED THEIR PURCHASE				
Less than 20% downpayment	49.6%	48.1%	53.5%	55.3%
Housing expense exceeding 25% of household income	39.9%	27.3%	24.1%	17.6%

*MSA: Metropolitan statistical area as defined by the United States Office of Management and Budget.

**Percentage of households with two adults in which income contributed by a second earner accounted for 10% or more of total household income.

HOME BUYERS, BY METROPOLITAN SIZE: 1985

STATISTICAL PROFILE AT A GLANCE

	LARGE MSAs*	MEDIUM MSAs	SMALL MSAs	NON-MSAs
WHO THEY WERE				
A Demographic Profile				
Median age	36.2 yrs.	35.2 yrs.	35.7 yrs.	35.8 yrs.
Unmarried	27.6%	23.7%	25.2%	20.1%
One- and two-person households	56.3%	50.7%	53.2%	45.0%
An Economic Profile				
Median income	$48,168	$39,600	$38,952	$34,632
Importance of second income**	57.3%	55.9%	57.5%	53.4%
First-time Buyers	41.1%	38.7%	33.9%	38.7%
WHAT THEY PURCHASED...				
Condominiums	16.6%	12.3%	11.2%	5.6%
New homes	20.0%	27.7%	22.8%	16.6%
Homes 25 or more years old	39.4%	29.0%	32.3%	41.3%
Median size of home (sq.ft.)	1,496	1,488	1,356	1,386
...and Its Cost				
Median purchase price	$95,000	$69,500	$65,000	$49,000
Median downpayment	$20,000	$12,000	$11,200	$ 7,800
Median total monthly housing expense	$933	$706	$700	$552
Mortgage payment	$708	$524	$510	$398
Real estate taxes	$100	$ 62	$ 70	$ 34
Utilities	$100	$100	$100	$100
Hazard insurance	$ 25	$ 20	$ 20	$ 20
HOW THEY AFFORDED THEIR PURCHASE				
Less than 20% downpayment	52.6%	56.8%	59.4%	62.7%
Housing expense exceeding 25% of household income	40.9%	30.2%	25.9%	20.7%

*MSA: Metropolitan statistical area as defined by the United States Office of Management and Budget.

**Percentage of households with two adults in which income contributed by a second earner accounted for 10% or more of total household income.

HOME BUYERS, BY METROPOLITAN SIZE: 1983

STATISTICAL PROFILE AT A GLANCE

	LARGE MSAs*	MEDIUM MSAs	SMALL MSAs	NON-MSAs
WHO THEY WERE				
A Demographic Profile				
Median age	34.7 yrs.	34.3 yrs.	35.0 yrs.	33.7 yrs.
Unmarried	27.6%	26.3%	23.3%	22.0%
One- and two-person households	54.3%	50.8%	49.8%	45.3%
An Economic Profile				
Median income	$41,099	$34,600	$31,997	$27,600
Importance of second income**	54.8%	53.4%	51.6%	52.0%
First-time Buyers	40.5%	40.7%	34.0%	39.3%
WHAT THEY PURCHASED...				
Condominiums	15.2%	10.2%	9.0%	3.8%
New homes	20.0%	19.0%	18.7%	17.3%
Homes 25 or more years old	32.8%	34.7%	33.8%	37.6%
Median size of home (sq.ft.)	1,500	1,479	1,360	1,350
...and Its Cost				
Median purchase price	$80,000	$62,900	$55,000	$46,500
Median downpayment	$15,500	$12,000	$10,002	$ 8,000
Median total monthly housing expense	$836	$688	$607	$532
Mortgage payment	$627	$510	$444	$379
Real estate taxes	$ 89	$ 60	$ 53	$ 34
Utilities	$100	$100	$ 90	$100
Hazard insurance	$ 20	$ 18	$ 20	$ 19
HOW THEY AFFORDED THEIR PURCHASE				
Less than 20% downpayment	51.4%	54.7%	48.7%	59.3%
Housing expense exceeding 25% of household income	49.0%	39.5%	37.5%	30.6%

*MSA: Metropolitan statistical area as defined by the United States Office of Management and Budget.

**Percentage of households with two adults in which income contributed by a second earner accounted for 10% or more of total household income.

HOME BUYERS, BY METROPOLITAN SIZE: 1981

STATISTICAL PROFILE AT A GLANCE

	LARGE MSAs*	MEDIUM MSAs	SMALL MSAs
WHO THEY WERE			
A Demographic Profile			
Median age	33.3 yrs.	33.5 yrs.	33.0 yrs.
Unmarried	32.0%	27.0%	24.7%
One- and two-person households	59.1%	56.2%	52.3%
An Economic Profile			
Median household income	$40,997	$38,049	$33,600
Importance of second income**	54.0%	49.3%	50.4%
First-time Buyers	13.4%	14.1%	13.5%
WHAT THEY PURCHASED...			
Condominiums	23.2%	21.8%	12.9%
New homes	25.0%	30.5%	20.2%
Homes 25 or more years old	32.1%	23.2%	31.8%
Median size of home (sq.ft.)	1,466	1,467	1,346
...and Its Cost			
Median purchase price	$78,000	$68,500	$57,998
Median downpayment	$18,800	$15,000	$11,980
Median total monthly housing expense	$874	$784	$668
Mortgage payment	$669	$608	$498
Real estate taxes	$ 85	$ 56	$ 52
Utilities	$100	$100	$100
Hazard insurance	$ 20	$ 20	$ 18
HOW THEY AFFORDED THEIR PURCHASE			
Less than 20% downpayment	27.9%	26.1%	32.3%
Housing expense exceeding 25% of household income	49.0%	42.3%	32.8%

*MSA: Metropolitan statistical area as defined by the United States Office of Management and Budget.

**Percentage of households with two adults in which income contributed by a second earner accounted for 10% or more of total household income.

TABLE E.1: Age of borrowers, by metropolitan size

AGE	1987 LARGE MSAs	1987 MEDIUM MSAs	1987 SMALL MSAs	1987 NON-MSAs	1985 LARGE MSAs	1985 MEDIUM MSAs	1985 SMALL MSAs	1985 NON-MSAs
24 years or less	3.2%	4.3%	6.0%	5.3%	5.6%	7.1%	6.5%	7.7%
25-29	18.0%	15.7%	14.1%	18.3%	19.2%	21.1%	19.6%	19.2%
30-34	20.5%	20.8%	21.8%	17.7%	20.9%	21.0%	21.6%	20.3%
35-39	18.6%	17.6%	18.7%	15.1%	17.8%	16.2%	15.9%	17.1%
40-49	23.4%	23.4%	21.0%	22.0%	20.3%	19.3%	19.9%	18.7%
50-59	10.1%	11.0%	9.7%	13.4%	10.3%	10.2%	10.8%	10.5%
60 or more	6.2%	7.2%	8.7%	8.2%	5.9%	5.1%	5.7%	6.6%
Median age	36.8	37.3	36.2	37.2	36.2	35.2	35.7	35.8

AGE	LARGE MSAs 1983	LARGE MSAs 1981	LARGE MSAs 1979	MEDIUM MSAs 1983	MEDIUM MSAs 1981	MEDIUM MSAs 1979	SMALL MSAs 1983	SMALL MSAs 1981	SMALL MSAs 1979
24 years or less	7.4%	9.1%	9.3%	7.5%	10.1%	11.3%	8.3%	11.9%	10.6%
25-29	20.1%	23.1%	23.2%	21.1%	20.4%	22.3%	18.0%	21.6%	23.9%
30-34	21.7%	22.6%	22.2%	22.3%	20.2%	20.9%	21.9%	22.9%	21.3%
35-39	15.1%	15.2%	16.0%	17.0%	14.9%	13.8%	16.3%	13.4%	12.6%
40-49	18.5%	16.8%	17.1%	17.1%	17.5%	16.5%	17.7%	15.6%	15.4%
50-59	11.1%	9.6%	9.2%	9.9%	12.0%	10.0%	11.3%	11.1%	11.8%
60 or more	6.1%	3.6%	2.9%	5.1%	4.9%	5.1%	6.4%	3.5%	4.4%
Median age	34.7	33.3	31.9	34.3	33.5	33.2	35.0	33.0	33.9

TABLE E.2: Marital status of home buyers, by metropolitan size

MARITAL STATUS	1987 LARGE MSAs	1987 MEDIUM MSAs	1987 SMALL MSAs	1987 NON-MSAs	1985 LARGE MSAs	1985 MEDIUM MSAs	1985 SMALL MSAs	1985 NON-MSAs
Married	68.9%	76.3%	77.4%	81.7%	72.4%	76.4%	74.7%	79.9%
Unmarried individuals	22.6%	18.4%	18.1%	15.1%	19.0%	17.7%	18.0%	15.6%
Unmarried couples	8.5%	5.3%	4.5%	3.2%	8.6%	6.0%	7.2%	4.5%

MARITAL STATUS	LARGE MSAs 1983	LARGE MSAs 1981	LARGE MSAs 1979	MEDIUM MSAs 1983	MEDIUM MSAs 1981	MEDIUM MSAs 1979	SMALL MSAs 1983	SMALL MSAs 1981	SMALL MSAs 1979
Married	72.5%	68.0%	73.9%	73.8%	73.0%	79.1%	76.7%	75.3%	83.0%
Unmarried individuals	18.6%	26.5%	18.6%	18.9%	21.8%	16.2%	18.5%	20.1%	13.0%
Unmarried couples	9.0%	5.5%	7.5%	7.4%	5.2%	4.7%	4.8%	4.6%	4.0%

TABLE E.3: **Household size of home buyers, by metropolitan size**

NUMBER IN HOUSEHOLD	1987 LARGE MSAs	1987 MEDIUM MSAs	1987 SMALL MSAs	1987 NON-MSAs	1985 LARGE MSAs	1985 MEDIUM MSAs	1985 SMALL MSAs	1985 NON-MSAs
One	20.0%	16.7%	14.9%	13.2%	15.6%	13.9%	13.6%	11.8%
Two	37.6%	35.9%	31.2%	36.9%	40.7%	36.8%	39.6%	33.2%
Three	15.2%	16.9%	19.7%	17.1%	16.7%	19.4%	16.8%	20.2%
Four	18.8%	20.3%	24.0%	22.8%	18.2%	20.1%	21.2%	22.4%
Five or more	8.4%	10.2%	10.2%	9.9%	8.8%	9.8%	8.8%	12.4%

NUMBER IN HOUSEHOLD	LARGE MSAs 1983	LARGE MSAs 1981	LARGE MSAs 1979	MEDIUM MSAs 1983	MEDIUM MSAs 1981	MEDIUM MSAs 1979	SMALL MSAs 1983	SMALL MSAs 1981	SMALL MSAs 1979
One	14.8%	26.4%	22.5%	14.2%	21.7%	17.4%	13.9%	20.1%	13.9%
Two	39.5%	32.7%	30.3%	36.6%	34.5%	35.8%	35.9%	32.2%	35.0%
Three	17.1%	16.3%	17.2%	18.4%	16.9%	19.2%	18.5%	16.0%	19.5%
Four	18.5%	16.0%	18.6%	19.5%	17.9%	18.1%	20.5%	19.9%	21.1%
Five or more	10.2%	8.5%	11.4%	11.3%	9.0%	9.4%	11.3%	11.8%	10.6%

TABLE E.4: **Income of home buyers, by metropolitan size**

ANNUAL HOUSEHOLD INCOME	1987 LARGE MSAs	1987 MEDIUM MSAs	1987 SMALL MSAs	1987 NON-MSAs	1985 LARGE MSAs	1985 MEDIUM MSAs	1985 SMALL MSAs	1985 NON-MSAs
Less than $15,000	1.0%	1.7%	2.9%	3.9%	1.2%	1.9%	3.1%	4.3%
$15,000-$19,999	2.0%	3.4%	5.9%	6.5%	2.7%	4.8%	5.0%	7.7%
$20,000-$24,999	4.0%	6.9%	7.2%	10.8%	5.2%	9.0%	9.0%	12.2%
$25,000-$34,999	12.0%	17.9%	21.9%	23.4%	16.4%	23.5%	24.5%	26.9%
$35,000-$44,999	18.0%	20.7%	20.6%	20.7%	18.8%	21.3%	19.7%	17.1%
$45,000-$54,999	17.0%	16.1%	16.2%	12.7%	15.9%	14.6%	12.8%	11.3%
$55,000-$64,999	12.6%	10.9%	9.1%	5.5%	11.2%	7.8%	8.5%	6.2%
$65,000 or more	33.5%	22.4%	16.2%	16.4%	28.6%	17.2%	17.3%	14.4%
Median income	$52800	$44664	$40200	$37440	$48168	$39600	$38952	$34632

ANNUAL HOUSEHOLD INCOME	LARGE MSAs 1983	LARGE MSAs 1981	LARGE MSAs 1979	MEDIUM MSAs 1983	MEDIUM MSAs 1981	MEDIUM MSAs 1979	SMALL MSAs 1983	SMALL MSAs 1981	SMALL MSAs 1979
Less than $15,000	3.6%	2.2%	4.6%	6.5%	3.7%	7.6%	7.9%	4.0%	12.5%
$15,000-$19,999	4.5%	4.7%	11.3%	8.1%	4.9%	15.6%	9.0%	7.8%	18.3%
$20,000-$24,999	7.8%	7.6%	15.9%	12.1%	9.1%	18.6%	15.2%	13.5%	21.8%
$25,000-$34,999	19.8%	22.1%	31.4%	24.2%	25.2%	30.4%	25.0%	28.6%	27.1%
$35,000-$44,999	21.1%	20.8%	16.9%	18.5%	20.3%	14.0%	16.8%	17.9%	10.8%
$45,000-$54,999	14.6%	14.7%		12.0%	12.6%		10.5%	10.3%	
$55,000-$64,999	8.6%	8.7%	19.9%	6.4%	7.1%	13.8%	4.4%	4.7%	9.6%
$65,000 or more	20.0%	19.1%		12.3%	17.0%		11.2%	13.3%	
Median income	$41099	$40997	$30354	$34600	$38048	$27310	$31997	$33600	$24714

TABLE E.5: Second income as a percentage of total income for home buyers, by metropolitan size

SECOND INCOME AS A PERCENTAGE OF TOTAL HOUSEHOLD INCOME*	1987 LARGE MSAs	1987 MEDIUM MSAs	1987 SMALL MSAs	1987 NON-MSAs	1985 LARGE MSAs	1985 MEDIUM MSAs	1985 SMALL MSAs	1985 NON-MSAs
Less than 10.0%	46.6%	44.3%	45.4%	45.5%	42.7%	44.1%	42.5%	46.6%
10.0%-19.9%	6.2%	7.2%	7.5%	6.0%	6.9%	7.1%	7.5%	8.1%
20.0%-29.9%	9.4%	12.2%	11.3%	10.5%	10.8%	10.6%	10.2%	11.5%
30.0%-39.9%	17.5%	16.2%	15.2%	17.3%	17.3%	16.5%	18.4%	16.3%
40.0%-50.0%	20.2%	20.1%	20.6%	20.7%	22.3%	21.7%	21.5%	17.6%

SECOND INCOME AS A PERCENTAGE OF TOTAL HOUSEHOLD INCOME*	LARGE MSAs 1983	LARGE MSAs 1981	LARGE MSAs 1979	MEDIUM MSAs 1983	MEDIUM MSAs 1981	MEDIUM MSAs 1979	SMALL MSAs 1983	SMALL MSAs 1981	SMALL MSAs 1979
Less than 10.0%	45.2%	46.0%	42.2%	46.6%	50.7%	49.1%	48.4%	49.6%	49.6%
10.0%-19.9%	7.5%	5.5%	6.8%	7.1%	6.0%	5.2%	7.4%	6.9%	6.2%
20.0%-29.9%	11.2%	11.8%	11.5%	10.4%	10.8%	11.0%	10.8%	10.6%	12.1%
30.0%-39.9%	16.0%	17.2%	18.0%	16.6%	15.4%	16.2%	15.9%	16.6%	15.0%
40.0%-50.0%	20.1%	19.5%	21.5%	19.3%	17.1%	18.5%	17.4%	16.3%	17.0%

*Includes only households with two adults.

TABLE E.6: **Price of homes purchased, by metropolitan size**

PRICE	1987 LARGE MSAs	1987 MEDIUM MSAs	1987 SMALL MSAs	1987 NON-MSAs	1985 LARGE MSAs	1985 MEDIUM MSAs	1985 SMALL MSAs	1985 NON-MSAs
Less than $30,000	1.5%	3.5%	6.3%	13.1%	3.2%	5.5%	8.5%	20.2%
$30,000-$49,999	5.3%	11.0%	16.4%	23.6%	9.7%	18.2%	20.2%	30.6%
$50,000-$69,999	8.5%	17.6%	20.6%	22.8%	16.2%	27.2%	28.3%	24.3%
$70,000-$89,999	10.7%	19.5%	20.1%	17.5%	17.4%	20.9%	18.4%	13.1%
$90,000-$99,999	6.0%	7.6%	7.0%	5.0%	6.0%	5.8%	5.6%	3.4%
$100,000-$119,999	12.2%	10.3%	8.2%	6.0%	11.7%	7.7%	7.2%	3.6%
$120,000-$139,999	12.4%	10.2%	8.0%	3.5%	10.1%	5.4%	4.5%	1.4%
$140,000 or more	43.3%	20.4%	13.3%	8.5%	25.6%	9.2%	7.3%	3.4%
Median price	$128000	$88000	$75500	$60700	$95000	$69500	$65000	$49000

PRICE	LARGE MSAs 1983	LARGE MSAs 1981	LARGE MSAs 1979	MEDIUM MSAs 1983	MEDIUM MSAs 1981	MEDIUM MSAs 1979	SMALL MSAs 1983	SMALL MSAs 1981	SMALL MSAs 1979
Less than $30,000	5.2%	6.0%	6.0%	8.8%	6.2%	10.7%	12.5%	12.5%	16.9%
$30,000-$49,999	13.5%	13.7%	20.5%	22.1%	19.0%	32.3%	28.2%	27.0%	36.5%
$50,000-$69,999	21.4%	22.1%	28.0%	27.3%	27.9%	29.7%	28.9%	27.3%	28.6%
$70,000-$89,999	18.6%	19.9%	22.0%	18.2%	19.6%	14.5%	15.5%	15.3%	11.2%
$90,000-$99,999	5.9%	6.2%		5.4%	6.0%		4.1%	4.7%	
$100,000-$119,999	10.7%	9.1%	23.5%	6.4%	7.7%	12.7%	4.2%	5.3%	6.8%
$120,000-$139,999	8.6%	7.5%		4.7%	4.9%		2.8%	3.4%	
$140,000 or more	16.0%	15.6%		7.0%	8.8%		3.8%	4.5%	
Median price	$80000	$78000	$67000	$62900	$68500	$54000	$55000	$57998	$48779

TABLE E.7: **Age of homes purchased, by metropolitan size**

AGE OF HOME	1987 LARGE MSAs	1987 MEDIUM MSAs	1987 SMALL MSAs	1987 NON-MSAs	1985 LARGE MSAs	1985 MEDIUM MSAs	1985 SMALL MSAs	1985 NON-MSAs
30 years or more	30.4%	18.9%	22.1%	24.2%	32.1%	23.3%	26.5%	34.2%
25-29	6.1%	3.9%	6.1%	4.8%	7.3%	5.7%	5.8%	7.1%
20-24	3.4%	2.6%	3.0%	3.0%	3.7%	2.6%	2.1%	1.5%
15-19	6.1%	6.1%	6.6%	7.8%	6.2%	7.2%	7.4%	6.5%
10-14	10.4%	9.3%	12.0%	12.1%	8.1%	9.5%	10.8%	9.1%
5-9	12.8%	13.1%	14.9%	14.0%	11.2%	12.5%	13.7%	14.1%
1-4	11.8%	12.0%	11.6%	13.5%	11.4%	11.6%	10.9%	10.9%
New	19.0%	34.1%	23.8%	20.7%	20.0%	27.7%	22.8%	16.6%
Median age								
Existing homes	20	14	15	15	23	18	18	20
All homes	14	9	10	10	15	9	11	15

AGE OF HOME	LARGE MSAs 1983	LARGE MSAs 1981	LARGE MSAs 1979	MEDIUM MSAs 1983	MEDIUM MSAs 1981	MEDIUM MSAs 1979	SMALL MSAs 1983	SMALL MSAs 1981	SMALL MSAs 1979
30 years or more	26.5%	26.5%	23.3%	28.5%	18.6%	19.7%	27.4%	25.7%	18.4%
25-29	6.3%	5.6%	7.2%	6.2%	4.6%	6.2%	6.4%	6.1%	5.0%
20-24	5.7%	4.7%	7.8%	5.7%	3.9%	6.4%	5.7%	6.0%	5.9%
15-19	6.1%	5.7%	8.1%	6.3%	5.2%	6.6%	5.9%	6.1%	7.1%
10-14	8.5%	6.3%	6.5%	8.4%	7.4%	7.2%	9.9%	6.6%	7.0%
5-9	11.4%	9.6%	8.3%	12.4%	10.7%	8.8%	13.1%	11.7%	8.1%
1-4	15.5%	16.6%	12.2%	13.4%	19.2%	12.4%	12.9%	17.6%	12.0%
New	20.0%	25.0%	26.6%	19.0%	30.5%	32.8%	18.7%	20.2%	36.5%
Median age									
Existing homes	18	18	23	19	11	18	18	16	17
All homes	11	9	13	12	5	8	12	10	7

TABLE E.8: **Size of homes purchased, by metropolitan size: 1987**

HOME SIZE (SQ.FT.)	LARGE MSAs NEW HOMES	LARGE MSAs EXISTING HOMES	LARGE MSAs ALL HOMES	MEDIUM MSAs NEW HOMES	MEDIUM MSAs EXISTING HOMES	MEDIUM MSAs ALL HOMES
750 or less	0.5%	3.7%	3.1%	1.5%	3.2%	2.7%
751-1,000	4.7%	11.8%	10.4%	1.2%	9.0%	6.4%
1,001-1,250	12.9%	18.2%	17.2%	10.9%	14.8%	13.5%
1,251-1,500	14.3%	19.9%	18.9%	13.8%	17.5%	16.3%
1,501-1,750	11.1%	14.2%	13.6%	14.1%	14.5%	14.3%
1,751-2,000	10.4%	9.2%	9.4%	14.9%	12.2%	13.1%
2,001-2,500	21.6%	12.3%	14.0%	26.4%	17.0%	20.1%
2,501-3,000	10.4%	5.7%	6.6%	10.5%	6.9%	8.0%
Greater than 3,000	14.1%	5.1%	6.7%	6.7%	5.0%	5.6%
Median size	1,899	1,469	1,501	1,874	1,583	1,682

HOME SIZE (SQ.FT.)	SMALL MSAs NEW HOMES	SMALL MSAs EXISTING HOMES	SMALL MSAs ALL HOMES	NON-MSAs NEW HOMES	NON-MSAs EXISTING HOMES	NON-MSAs ALL HOMES
750 or less	0.3%	2.6%	2.1%	0.0%	2.6%	2.1%
751-1,000	2.1%	9.4%	7.8%	4.7%	8.3%	7.6%
1,001-1,250	15.6%	19.7%	18.8%	13.8%	19.9%	18.7%
1,251-1,500	14.3%	15.7%	15.4%	19.8%	20.3%	20.2%
1,501-1,750	16.7%	15.9%	16.1%	17.4%	15.4%	15.8%
1,751-2,000	17.7%	12.1%	13.4%	15.5%	13.1%	13.6%
2,001-2,500	14.9%	14.3%	14.4%	15.5%	11.0%	11.9%
2,501-3,000	9.3%	6.5%	7.1%	5.3%	4.8%	4.9%
Greater than 3,000	9.2%	3.7%	4.9%	7.9%	4.5%	5.2%
Median size	1,762	1,544	1,574	1,664	1,499	1,512

TABLE E.8A: **Size of homes purchased, by metropolitan size: 1985**

HOME SIZE (SQ.FT.)	LARGE MSAs NEW HOMES	LARGE MSAs EXISTING HOMES	LARGE MSAs ALL HOMES	MEDIUM MSAs NEW HOMES	MEDIUM MSAs EXISTING HOMES	MEDIUM MSAs ALL HOMES
750 or less	0.9%	3.6%	3.1%	0.8%	2.9%	2.4%
751-1,000	5.8%	11.3%	10.2%	6.6%	11.0%	9.8%
1,001-1,250	16.0%	21.2%	20.2%	19.5%	18.9%	19.0%
1,251-1,500	17.4%	16.9%	17.0%	24.9%	18.3%	20.0%
1,501-1,750	14.5%	13.8%	14.0%	13.4%	14.7%	14.4%
1,751-2,000	12.6%	9.4%	10.0%	12.5%	12.0%	12.1%
2,001-2,500	17.4%	11.9%	13.0%	12.3%	13.1%	12.9%
2,501-3,000	8.2%	5.7%	6.2%	5.9%	5.2%	5.4%
Greater than 3,000	7.2%	6.1%	6.3%	4.1%	4.0%	4.0%
Median size	1,663	1,451	1,496	1,468	1,493	1,488

HOME SIZE (SQ.FT.)	SMALL MSAs NEW HOMES	SMALL MSAs EXISTING HOMES	SMALL MSAs ALL HOMES	NON-MSAs NEW HOMES	NON-MSAs EXISTING HOMES	NON-MSAs ALL HOMES
750 or less	6.3%	3.6%	4.2%	2.7%	4.8%	4.4%
751-1,000	7.1%	13.8%	12.4%	8.4%	15.5%	14.4%
1,001-1,250	20.0%	26.9%	25.5%	16.7%	21.7%	20.9%
1,251-1,500	17.9%	19.0%	18.7%	18.1%	19.8%	19.5%
1,501-1,750	17.0%	12.1%	13.2%	19.5%	13.6%	14.5%
1,751-2,000	9.7%	8.1%	8.4%	13.9%	9.8%	10.5%
2,001-2,500	11.4%	10.8%	10.9%	12.5%	9.6%	10.0%
2,501-3,000	6.4%	3.0%	3.7%	3.7%	2.8%	2.9%
Greater than 3,000	4.1%	2.6%	2.9%	4.5%	2.5%	2.8%
Median size	1,488	1,326	1,356	1,550	1,352	1,386

TABLE E.8B: **Size of homes purchased, by metropolitan size: 1983**

HOME SIZE (SQ.FT.)	LARGE MSAs NEW HOMES	LARGE MSAs EXISTING HOMES	LARGE MSAs ALL HOMES	MEDIUM MSAs NEW HOMES	MEDIUM MSAs EXISTING HOMES	MEDIUM MSAs ALL HOMES
750 or less	1.5%	3.2%	2.9%	1.6%	3.3%	3.0%
751-1,000	9.5%	11.4%	11.0%	6.7%	10.8%	10.0%
1,001-1,250	14.3%	18.6%	17.7%	15.4%	19.5%	18.7%
1,251-1,500	16.4%	18.8%	18.3%	22.2%	18.8%	19.5%
1,501-1,750	12.8%	14.3%	14.0%	14.9%	14.0%	14.2%
1,751-2,000	9.4%	9.5%	9.4%	12.0%	11.2%	11.4%
2,001-2,500	14.7%	12.1%	12.6%	16.3%	13.6%	14.1%
2,501-3,000	10.4%	5.2%	6.3%	7.2%	5.0%	5.4%
Greater than 3,000	11.0%	7.0%	7.8%	3.7%	3.7%	3.7%
Median size	1,679	1,470	1,500	1,555	1,459	1,479

HOME SIZE (SQ.FT.)	SMALL MSAs NEW HOMES	SMALL MSAs EXISTING HOMES	SMALL MSAs ALL HOMES	NON-MSAs NEW HOMES	NON-MSAs EXISTING HOMES	NON-MSAs ALL HOMES
750 or less	4.7%	3.9%	4.0%	4.4%	3.5%	3.7%
751-1,000	9.3%	14.7%	13.7%	11.0%	13.3%	12.9%
1,001-1,250	23.1%	23.0%	23.0%	22.8%	25.2%	24.8%
1,251-1,500	19.9%	18.6%	18.9%	26.2%	19.1%	20.3%
1,501-1,750	10.5%	13.3%	12.8%	11.3%	15.3%	14.6%
1,751-2,000	11.0%	10.5%	10.6%	8.8%	8.7%	8.7%
2,001-2,500	12.6%	9.9%	10.4%	9.3%	9.6%	9.6%
2,501-3,000	4.7%	3.7%	3.9%	3.6%	2.5%	2.7%
Greater than 3,000	4.2%	2.3%	2.6%	2.7%	2.8%	2.8%
Median size	1,418	1,352	1,360	1,356	1,337	1,350

TABLE E.9: **Monthly housing expense for home buyers, by metropolitan size**

MONTHLY HOUSING EXPENSE	1987 LARGE MSAs	1987 MEDIUM MSAs	1987 SMALL MSAs	1987 NON-MSAs	1985 LARGE MSAs	1985 MEDIUM MSAs	1985 SMALL MSAs	1985 NON-MSAs
$300 or less	2.3%	4.6%	7.5%	13.3%	2.4%	4.0%	8.4%	14.5%
$301-$400	3.7%	6.5%	10.1%	16.0%	4.4%	8.6%	10.6%	16.7%
$401-$500	5.0%	11.2%	13.9%	15.2%	7.1%	12.2%	13.2%	18.5%
$501-$600	6.4%	11.4%	14.6%	12.5%	8.4%	14.5%	14.3%	14.6%
$601-$700	7.8%	12.1%	12.0%	14.1%	9.5%	14.6%	12.2%	11.1%
$701-$900	18.4%	20.6%	17.2%	13.4%	18.9%	22.3%	20.4%	12.7%
$901-$1,100	16.9%	13.6%	12.3%	6.6%	13.8%	10.6%	9.9%	5.5%
$1,101-$1,300	13.5%	8.0%	5.4%	3.9%	10.9%	5.7%	4.5%	3.2%
Greater than $1,300	26.0%	12.1%	6.9%	5.1%	24.6%	7.5%	6.6%	3.2%
Median expense	$1017	$771	$684	$584	$933	$706	$700	$552

MONTHLY HOUSING EXPENSE	LARGE MSAs 1983	LARGE MSAs 1981	LARGE MSAs 1979	MEDIUM MSAs 1983	MEDIUM MSAs 1981	MEDIUM MSAs 1979	SMALL MSAs 1983	SMALL MSAs 1981	SMALL MSAs 1979
$300 or less	3.3%	4.4%	3.3%	6.5%	5.7%	6.7%	10.3%	8.2%	11.1%
$301-$400	5.9%	5.6%		9.3%	5.6%		12.3%	12.4%	
$401-$500	8.8%	7.7%	41.9%	12.5%	9.7%	57.7%	16.0%	14.4%	63.6%
$501-$600	10.5%	9.9%		15.4%	13.1%		16.0%	13.9%	
$601-$700	12.1%	10.5%		14.1%	13.2%		12.9%	13.8%	
$701-$900	18.7%	19.8%		19.8%	22.0%		17.2%	17.9%	
$901-$1,100	13.6%	13.8%	54.8%	9.5%	12.8%	35.5%	7.0%	9.0%	25.3%
$1,101-$1,300	10.0%	9.8%		5.5%	7.1%		3.3%	4.5%	
Greater than $1,300	17.1%	18.6%		7.3%	10.7%		5.0%	6.0%	
Median expense	$836	$874	$617	$688	$784	$519	$607	$668	$470

TABLE E.10: **Housing expense/income ratio for home buyers, by metropolitan size**

HOUSING EXPENSE AS A PERCENTAGE OF HOUSEHOLD INCOME	1987 LARGE MSAs	1987 MEDIUM MSAs	1987 SMALL MSAs	1987 NON-MSAs	1985 LARGE MSAs	1985 MEDIUM MSAs	1985 SMALL MSAs	1985 NON-MSAs
20.0% or less	35.4%	47.3%	51.1%	62.5%	35.9%	44.2%	49.6%	59.7%
20.1%-25.0%	24.7%	25.5%	24.8%	19.9%	23.2%	25.6%	24.5%	19.6%
25.1%-30.0%	22.2%	16.5%	14.5%	9.3%	20.9%	19.1%	16.0%	11.9%
30.1% or more	17.7%	10.8%	9.6%	8.3%	20.0%	11.1%	9.9%	8.8%
Median percentage	23.0%	20.6%	19.9%	17.8%	20.3%	20.2%	20.1%	18.1%

HOUSING EXPENSE AS A PERCENTAGE OF HOUSEHOLD INCOME	LARGE MSAs 1983	LARGE MSAs 1981	LARGE MSAs 1979	MEDIUM MSAs 1983	MEDIUM MSAs 1981	MEDIUM MSAs 1979	SMALL MSAs 1983	SMALL MSAs 1981	SMALL MSAs 1979
20.0% or less	33.3%	27.9%	25.6%	36.6%	32.0%	30.1%	41.9%	39.8%	32.8%
20.1%-25.0%	20.9%	23.1%	24.7%	24.0%	25.7%	26.9%	20.5%	27.4%	26.4%
25.1%-30.0%	21.7%	24.8%	24.7%	19.8%	23.4%	24.8%	18.4%	19.5%	22.7%
30.1% or more	24.1%	24.2%	25.1%	19.7%	18.9%	18.1%	19.1%	13.3%	18.1%
Median percentage	24.0%	24.6%	25.1%	22.8%	23.4%	23.7%	22.1%	21.9%	24.1%

TABLE E.11: **Downpayment as a percentage of purchase price for home buyers, by metropolitan size**

DOWNPAYMENT	1987 LARGE MSAs	1987 MEDIUM MSAs	1987 SMALL MSAs	1987 NON-MSAs	1985 LARGE MSAs	1985 MEDIUM MSAs	1985 SMALL MSAs	1985 NON-MSAs
10.0% or less	16.7%	19.3%	21.2%	21.3%	24.0%	32.0%	30.4%	31.0%
10.1%-19.9%	32.9%	28.8%	32.3%	34.0%	28.6%	24.9%	28.9%	31.7%
20.0% or more	50.4%	51.9%	46.5%	44.7%	47.4%	43.2%	40.6%	37.3%
Median downpayment	$27000	$18050	$15000	$11250	$20000	$12000	$11200	$7800

DOWNPAYMENT	LARGE MSAs 1983	LARGE MSAs 1981	LARGE MSAs 1979	MEDIUM MSAs 1983	MEDIUM MSAs 1981	MEDIUM MSAs 1979	SMALL MSAs 1983	SMALL MSAs 1981	SMALL MSAs 1979
10.0% or less	24.3%	16.6%	15.3%	27.3%	14.0%	17.6%	27.1%	19.6%	20.1%
10.1%-19.9%	27.1%	11.3%	25.0%	27.4%	12.1%	27.8%	29.5%	12.7%	24.9%
20.0% or more	48.6%	72.1%	59.7%	45.3%	73.9%	54.6%	43.3%	67.7%	55.0%
Median downpayment	$15500	$18800	$15532	$12000	$15000	$10507	$10000	$11980	$9600

About the 1987 Home Buyer Survey

The survey data in this report were collected from a sample of more than 22,000 conventional mortgage loans made by 857 savings institutions from around the country. The participating institutions were given detailed instructions on how to draw a random sample of loans from all of the mortgage loans that they closed during the second quarter of 1987.

Questionnaire forms were completed by personnel in the savings institutions. The questionnaires were designed so that information could be gathered directly from mortgage loan application forms. The independently drawn samples from these institutions were combined to produce a national sample of conventional mortgage loans. To prevent any bias from over-sampling or under-sampling of any particular geographic area or institution type, a statistical weighting scheme was used based on actual loan origination volume made by savings institutions. Parameters for this weighting scheme were based on loan volume by state and, within each state, by loan volume across three asset-size categories of savings institutions.

In Appendix A, survey results are presented for 15 selected metropolitan areas. The areas are classified as metropolitan statistical areas as defined by the United States Office of Management and Budget. These areas include at least one major city as well as surrounding suburban areas that are economically integrated with the central metropolitan area.

Appendix D presents results for four census regions. The census regions are defined as follows:

Northeast: Connecticut, Delaware, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island and Vermont.

North Central: Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota and Wisconsin.

South: Alabama, Arkansas, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, Puerto Rico, South Carolina, Tennessee, Texas, Virginia and West Virginia.

West: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Utah, Washington and Wyoming.

The four MSA stratifications used in Appendix E are as follows:

Large MSA: Metropolitan areas with a population of 1.5 million or more.

Medium MSA: Metropolitan areas with a population of between 250,000 and 1.5 million.

Small MSA: Metropolitan areas with a population of less than 250,000.

Non-MSA: Nonmetropolitan areas generally consisting of small towns and rural areas.